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MERCANTILE BANK OF ISRAEL LTD.
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Marginal Column

By ZE'EV LAQUEUR

THE French crisis is ten days old, and the end is not yet in sight. (It lasted for 38 days before M. Laniel came into power in June, 1953). Antoine Pinay tried his luck first: The Mayor of Saint Chamond, he was the thrifty *pater familias*, personifying the victory of the small town over Paris; the small tannery owner prevailing over big business represented by Paul Reynaud and René Mayer with their sweeping and therefore suspect projects for economic reform. 1952 was Pinay's Year. The remedies are neither right nor left, down with politics, we need a good administration. Stormy applause. The "era Coué" began. But when Pinay left, it appeared that the budget had not been balanced at all (as he had promised), that a deficit of 500 milliard francs had simply been transferred to the following year. Pinay left office in a fairly dramatic manner. He was so disgusted with the intrigues of the parties that he did not even wait for a vote of confidence to be taken. And in his last speech, he was the severest critic of the "blind egotism of the lobbies and pressure groups which refuse to make the slightest sacrifice for the national reconstruction, who refuse to give up even the slightest profit..."

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LAST week, Pinay failed because the Gaullists would not support a "European" Foreign Minister such as René Mayer, while the Radicals would not agree to anybody but a European. The M.R.P., which had brought down Mendes-France, refused to back Pinay because there had been bad feeling between them since 1952 and because they thought, moreover, that one of them should become Prime Minister. And so M. Pflimlin was given the commission. He had to face the opposition of the Socialists, the Gaullists (to whom he was too European) and the left-wing Radicals who did not forgive the M.R.P. its part in overthrowing Mendes-France. Christian Pineau, the Socialist whose turn has now come, will probably not even try to form a government. The most likely solution is a Cabinet under someone slightly to the Right of Mendes-France who is neither a pronounced European nor strongly against the Paris treaties, who is not in favour of the strong hand in North Africa but is not out for far-reaching concessions to the nationalists either, and in domestic politics promises not to aim at any changes affecting the present state of affairs. Such a candidate for the return to *Immobilisme* is M. Edgar Faure who has imperturbably served both Laniel and Mendes-France and who stands perhaps the best chances of all candidates.

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SUCH a stop-gap cabinet, however, even if it is constituted later this week or next, cannot last for many weeks. And over a longer period the present Cabinet crisis will surely become something more serious. Francois Mauriac, on the eve of the fall of M. Mendes-France, wrote that "General de Gaulle has been proved right: the rule of parties, such as practised in France, is the end of any government." Many disbelieved de Gaulle's warning: he held no brief for the regime, and many saw in him a dictator. As a political leader, he was not ideally suited in character: he knew how to shock the politicians but not how to pacify them and to compromise. Mendes-France knew how both to shock and to compromise. He had a sense not only for drama but also for timing. If he has failed—who can succeed in this system? He may, of course, return to power one day. But who knows whether this will not be too late to do any good. Meanwhile, the peasant will go on reaping his wheat and harvesting his grapes, the miner will produce coal, babies will be born and plays performed. The Prefects and the Civil Service will see to it that day-to-day life is not affected. But France's status as a power, as an active participant in world affairs, and even in European politics, is greatly affected. When Marshal Smuts in one of his speeches during World War II, said that "France has gone for today and for many a day" many Frenchmen were much offended. But this was just what happened, and it may happen again. A minimum of stability has become a prerequisite even for second-class power status. Which means that these are sad days for the friends of France.

Jerusalem, February 15.

AFTER MIDNIGHT

Steel-helmeted firemen fought a fierce blaze which broke out late last night in a timber store off Rehov Emek Yisrael, Tel Aviv. The cause of the blaze, which threatened adjoining property for almost an hour, is being investigated. A large crowd of onlookers, some of them roused from their beds, anxiously watched the blaze for more than an hour until the fire brigade brought it under control.

GZ's Back Budget; Mapai May Take Freeze off Wages

Jerusalem Post Knesset Reporter

As though to clear away any lingering doubts whether the Coalition differences over the budget were now explicitly settled or only held in abeyance, Mr. H. Ariav (General Zionist) yesterday welcomed both the Budget itself and the introductory speech of Mr. Eshkol last week as the work "of the government", and emphasized the share of his Party in the framing of next year's finances. Later, however, he returned to sharp criticism of what he termed "unproductive development". He was speaking at the opening session of the Knesset Budget debate.

A hint that Mapai may amend its present determined wage-freeze policy was contained in a speech by Mr. A Govrin (Mapai), who is also chairman of the Knesset Labour Committee. He also renewed his plea for more attention to the heavy industries, while Shilumim funds were still available for the purchase of equipment.

The debate was opened by Mr. Y. Bader (Herut), who analysed figures for currency circulation, credits and national income to demonstrate his thesis that inflation has not really been halted, even if some prices are approaching stability. Credit was now only available to "privileged groups", he said, and the economy was being strangled by a generally restrictive policy, while the big cooperatives had been able to increase their capital by IL14m. He argued that the extreme shortage of industrial working capital and the resulting rapid money-turnover was also an inflationary symptom.

He also accused the government of failure to encourage immigration, saying that in a fully controlled economy low immigration rates such as those of the past three years could only be the result of a deliberate policy on the part of the administration.

Mapam "Approval"

Qualified approval of the budget came from Mr. H. Rubin (Mapam) who added a routine charge that the Government is taxing the workers unfairly, lowering living standards and failing to combat unemployment. He also took Mr. Eshkol to task for inaccuracies and discrepancies in his budget speech and renewed his demand for the "freezing of profits" to parallel the wage-freeze.

Mr. Ariav rather surprised his audience at first by the enthusiasm with which he claimed responsibility for the general character of the budget on behalf of his own party, and suggested that the policy of the removal of trading restrictions and relaxation of rationing had been the main factors in the general economic improvement.

He added that it was libellous to suggest that his party was opposed to development, as had been widely done. The question was only one of method. He did not think that the present Development Budget was balanced, in the sense that the investment made did not show appropriate profits, and it was doubtful whether it ever would. He suggested that Mr. Eshkol, with his predilection for the development of water resources, would find that his budget in this respect would not balance.

All over the world, Mr. Ariav said, development was carried out by foreign funds in the form of private enterprise, and these funds would also become available for Israel once suitable working conditions were created. In particular, now that the general financial position had improved, he thought the time had arrived for at least partial decontrol of foreign currency operations.

Finally, with Government expenditure and therefore taxation at their present levels — he estimated it at 29 per cent of national income — he saw no prospect of the private savings for which the Minister of Finance had appealed, though he agreed on their importance.

An appeal for a more generous credit policy, despite the danger of inflation, was also made by Mr. E. M. Genachovsky (Hapoel Hamizrahi). He urged the concentration in one authority of all bodies dealing

(Continued on Page 1, — Col. 6)

Israel Pound Firm; Gold Price Drops

The price of the dollar in Rehov Lilienblum (Tel Aviv's money market) was quoted yesterday IL.2.250 and that of the gold sovereign IL.21.900 — the lowest in a long time. This was stated at the opening of a routine news conference in Jerusalem by Mr. P. Sapir, Director-General of the Finance Ministry, who said he had just received this "encouraging news." (See page 3).

ATOM TEST IN NEVADA

LAS VEGAS, Nevada, Monday (UP).—The first of the scheduled eight to 12 experimental atomic explosions this year will be made tomorrow (3.45 p.m. Israel time).

Egyptian, Syrian Ties Strained over Baghdad

Damascus political circles last night took a serious view of the discussions in the Syrian capital between government leaders and Dr. Fadhel Jamali, personal envoy of the Iraqi Premier, Nuri e-Said. Jamali engaged in explaining Iraq's position regarding the projected Turco-Iraqi defence alliance and is due to leave for Beirut to continue his mission.

The Syrian Ambassador in Cairo is expected in Damascus shortly to report on the Egyptian attitude towards the proposed pact, and on Syrian-Egyptian relations, which have become strained as a result of accusations that the Syrian representatives at the Arab Premiers conference had deliberately taken a neutral stand instead of backing the Egyptian viewpoint.

Ex-Premier Fares el Khoury and his Foreign Minister, Faidi el Attasi, came under heavy criticism in Cairo and Damascus last week for their failure to live up to their earlier promises of opposing the pact with Turkey.

Meanwhile, the Damascus High Court yesterday revoked the membership of four M.P.'s, bringing to 17 the number of deputies who have thus far been ousted from Parliament. There are 142 deputies in the Syrian Parliament. *(Reuter, NEABS, ANA)*

Yemen Sides With Egypt and Saudia

CAIRO, Monday (Reuter).—The Yemen Deputy Foreign Minister, Mohammed Emary, said tonight that the Yemen would follow the example of Egypt and Saudi Arabia and abandon the Arab Collective Security Pact if Iraq signed the Turco-Iraqi pact.

He added that the Yemen Premier, Seif el Islam Hassan, who is also in Cairo, intended to discuss Arab unity with Jordan's King Hussein when he visits Egypt on February 20.

Bayar Postpones Visit to Iraq

BAGHDAD, Monday. — The Turkish President, Mr. Celal Bayar, has postponed his visit for the signing of the Turco-Iraqi pact from February 22 until March 4. The British Foreign Secretary, Sir Anthony Eden, will stop here on that date on his way back from the Far East.

The Persian Ambassador here, Mr. Ghod Nakhai, stated today that he has no information on reports that the Shah of Persia planned to visit here early in March to discuss the possibility of his country joining the projected pact.

He said that he had received no indication of such a visit either from Teheran or from the Shah, who is now returning from a visit to the U.S.

King Hussein of Jordan and the Egyptian Prime Minister, Abdul Nasser, will discuss the situation arising from the proposed Turco-Iraqi defence pact during the King's official five-day visit to Egypt beginning on February 20, according to a diplomatic source in Cairo.

King Hussein arrived in Baghdad today for a private visit to Iraq. Informed sources in Amman believed that he will try to settle differences between Egypt and Iraq over the proposed Turco-Iraqi pact.

A special envoy from Abdul Nasser returned to Cairo today after a two-day visit to Amman. He had delivered a message from the Egyptian Premier to King Hussein and also brought him a set of two old plated pistols with Arabic decorations. *(UP, Reuter)*

Iraq Accepts Invitation To Afro-Asian Parley

The Iraqi Government yesterday accepted the Indonesian invitation to attend the proposed Afro-Asian conference at Bandoeng scheduled in April. The acceptance was formally handed over to the Indonesian envoy, Mr. Latjaba, by the acting Iraqi Foreign Minister, Burhan e-Din Bashayan.

Informed Baghdad sources said that it has not yet been decided whether Iraq will be represented at Bandoeng by Premier Nuri e-Said or his representative.

In Tokyo, the Japanese decision to accept the invitation to attend the conference was communicated to the Indonesian Consul-General, Dr. Suleiman Binol, yesterday. The acceptance is tentative because the present Government is a caretaker one. *(UP)*

C-o-L STABLE OVER 3 MONTHS

The cost-of-living index remained at 228 in January, the same as it was in November and December, the Central Bureau of Statistics announced yesterday.

The rise in the average prices of potatoes, eggplant, bananas, haircuts and in the average amount of Histadrut dues was balanced, the Bureau reports, by a decline in the average prices of poultry, carrots, cabbage and cauliflower. Prices of some clothing articles also dropped slightly.

The cost-of-living index has advanced as follows: September 1951 — 100; May 1952 — 150; January 1953 — 181; January 1954 — 214; August 1954 — 228.

Beirut Denies Offer Of Bases to US

BEIRUT, Monday (UP). — A Government spokesman today categorically denied reports of an offer of bases to the U.S. in return for an American guarantee to protect the present Lebanese frontiers.

The spokesman affirmed that Lebanese foreign policy is tied up with the Arab League Charter which so far remains based on the Arab collective security pact and the U.N Charter. As long as the League "remains undismembered," the Lebanon adheres to its obligations to that organisation, he declared.

Burman Arrives To Study Reparations

LYDDA AIRPORT, Monday. — U Soe Tin, Director of the Asiatic Division of the Burmese Foreign Ministry, arrived here today by El Al as the guest of the Shilumim Corporation. U Soe Tin represented his Government in its negotiations for Reparations from Japan which led to the signing of an agreement in November, 1954. He is to be appointed chief of the Burmese Reparations Corporation.

During his stay in Israel, U Soe Tin will study the operations of the Shilumim Corporation.

Japan is to pay Burma $200m. in $20m. annual instalments, in addition to $5m. for ten years to be invested in joint projects of the two countries, Mr. Robert Nathan, the American economic adviser to the Burmese Government, now in Israel, told a *Jerusalem Post* reporter. Mr. Nathan came to meet the guest, as did representatives of the Foreign Ministry and of the Reparations Corporation. *(Itim)*

Both Sides Blamed for Shooting

Both Jordan and Israel were censured yesterday by the Israel-Jordan Mixed Armistice Commission for incidents last Tuesday in the Deir Ballut-Migdal Zedek area, in the vicinity of Petah Tikva.

The Commission, with the Chairman and the Israel delegation voting for and the Jordan delegation abstaining, found that about 11 a.m. last Tuesday, Arab Legionnaires had fired at Israel soldiers training in the Migdal Zedek area, wounding three of them. Finding this action a breach of Article III, paragraph 3 of the Armistice Agreement, the Commission called upon the Jordanian authorities to prevent the recurrence of such violations.

At the same meeting yesterday, the Commission found that a group of regular Israel soldiers, engaged in regular military exercises along the Demarcation Line in the Deir Ballut area, had crossed the Line into Jordan and had taken up positions on a hill in Jordanian territory, while an additional Israel force had opened fire at Jordanian positions from across the line.

The Israel Army spokesman stated that Israel was censured for "returning the fire from Israel territory to Jordanian territory."

Radio Ramallah last night mentioned only that part of the M.A.C. decision which censured Israel, completely omitting the resolution which found Jordan guilty.

Young Soldiers

The Israel-Jordan Mixed Armistice Commission will meet today to discuss the Hebron border clash on Saturday which resulted in the death of two Israel soldiers. One of the soldiers, Turai Rishon Natanel Gilyardi, of Sheikh Munis, Tel Aviv, was buried yesterday. One of Gilyardi's brothers was blinded during the War of Independence while another is also a disabled veteran. His family originally came from Persia, but immigrated to Poland where Natanel was born.

The funeral of Samal Arye Koenig, of Nahlat Ganim, Ramat Gan, the second soldier killed on Saturday, was held on Sunday at Kiryat Shaul. Koenig, who was to have been released from the Army in a few months, leaves parents and younger brothers. Both soldiers were in their early twenties.

Jordan has again asked the U.N. Truce Supervision Organization to ask Israel not to carry out military manoeuvres close to the Armistice Line because such practices "frighten the border line villagers," ANA reported yesterday.

Israel, Syrian PoW Swap Sought

TIBERIAS, Monday. — Israel was holding seven Syrian seamen captured off Haifa when their vessel was ship-wrecked last December, and a Jordan Legionnaire was taken prisoner in November 1954, Major General E.L.M. Burns, Chief of Staff of the U.N. Truce Supervision Organisation, told newsmen today in reply to a question on why the Syrians were delaying the release of the four Israel soldiers.

He said that efforts to obtain the release of the Israelis were continuing simultaneously with the efforts for the release of the Arabs.

General Burns met the Press after a visit to the demilitarised zone on the Syrian border. He returned this morning from Damascus where the U.N. Chief of Staff had seen the four Israel prisoners. At Kirad al Bakkara, the village in the demilitarised zone, General Burns had talks with the village elders as they squatted in oriental fashion on cushions and carpets, sipping coffee under the open sky.

He sought information on the condition of the villagers. They enjoyed freedom of movement to an extent where they could travel freely to Nazareth, he said. Their economic condition was improved. The Arabs had asked him to give them U.N. passes allowing them unrestricted travel everywhere, but he had told them that that was outside his authority.

The villagers also presented personal requests such as reunion of families and permission for their relatives in Syria to meet them. He had said that their requests were being studied at a high level.

The General said that he had not yet received any reply from the Security Council to his report on the demilitarised zone (proposing partition). In reply to another question, he stated that he knew nothing about artillery having been put into position on the eastern shore of the Hula lake.

General Burns was accompanied by senior U.N. staff members, Rav-Seren Shlomo Reichmann, of the M.A.C. and Police Commander Y. Kravitz. Before the meeting he toured the Syrian border and drove for [illegible] minutes through the Jordan Valley.

Socialist Tries In Paris as Rightist Candidate Fails

PARIS, Monday. — The Socialist leader, M. Christian Pineau, 50, today began the urgent task of trying to form France's 21st postwar Government with a promise to "follow the methods" of the outgoing Premier, M. Mendes-France, who was voted out nine days ago.

M. Pineau was the third man to be called. President Rene Coty sent him a hurried appeal before dawn when more party bickering forced the Popular Republican, M. Pierre Pflimlin, to abandon his efforts at forming a Cabinet.

The first of M. Pineau's talks was with M. Mendes-France, and he went out of his way afterwards to express admiration for him publicly. He said that he proposed to form a Government which would not disappoint the hopes legitimately raised by the outgoing Premier.

If M. Pineau forms a government, it will mean one left-wing leader succeeding another left-winger taken out of office by the Assembly — an illustration of the confusion in the present Parliament. Such a government, in form at least, would be a Mendes-France Government without Mendes-France, it was pointed out.

M. Pineau first became Food Minister in 1945, on his release from Buchenwald concentration camp. He had played a prominent part in the resistance movement and was taken prisoner by the Gestapo in May, 1943. A lawyer, economist, and spare-time writer of children's stories, M. Pineau began his career as an official in the Bank of France.

M. Pflimlin's admitted failure came at 3 a.m. today after nearly 20 hours of continuous discussions. A split between his followers and those of M. Rene Mayer, the Radical who led the attack against M. Mendes-France, a fellow-Radical, finally stopped him from going before the Assembly for approval.

M. Mayer said that the Pflimlin Cabinet must contain those Radicals who backed M. Mendes-France in order to obtain the votes of the pro-Mendes-France faction, otherwise the new government would never obtain Assembly approval. M. Pflimlin for several hours desperately attempted to get in touch with M. Maurice Bourges-Aunoury, a Radical member of the Mendes-France Cabinet, but the latter finally said that he did not intend to come.

More than anything, the present crisis has proved that the enemies of M. Mendes-France overthrew him without really being agreed on his successor. Both M. Pflimlin and M. Antoine Pinay, who was first called upon to form a Government, failed to knit together the right-centre majority that voted out M. Mendes-France into a workable government majority. *(UP, Reuter)*

Syrians Open Automatic Fire on Settlement

At noon yesterday, Syrian positions opened fire with automatic weapons and rifles on Shear Yashuv settlement in Upper Galilee, the Army spokesman announced.

It is understood that the exchange of fire which resulted continued until four o'clock in the afternoon. Both sides used medium machineguns.

The Israel delegation to the Israel-Syria Mixed Armistice Commission has lodged a complaint on the incident.

A tractor belonging to Shamir settlement in Upper Galilee travelling north of the settlement, was fired upon yesterday afternoon from Syrian positions, the spokesman added. Settlement guards returned the fire.

Several shots were fired on Sunday afternoon from the direction of the Syrian border at fishermen of the Hulata settlement who were on the eastern banks of the Hula. No one was hit and the boat was undamaged.

Security Council Shelves Action on Formosa Issue

Secret Diplomacy Seeking Solution

As the Security Council resumed its debate on a Formosa cease-fire last night, diplomatic talks were continuing outside the United Nations aimed at finding a formula which could promise fruitful discussions towards a solution.

In Moscow, the Indian Charge d'Affaires, Mr. P.N. Kaul, discussed Formosa with Foreign Minister Vyacheslav Molotov. The envoy declined to disclose the subject of the talks, but it was believed that he called to receive a new statement from the Soviet Government following its offer last week to hold an international conference on the problem, excluding the Formosa Government.

In London, both Foreign Secretary Sir Anthony Eden and the Indian Prime Minister, Mr. Jawaharlal Nehru, said that private diplomatic contacts were being maintained. Sir Anthony told a questioner in the Commons that the exchanges Britain was having with Russia on the question were not yet closed, although the British Government was convinced that an international parley which did not include both of the parties most directly concerned could not have a useful result.

Britain, he added, had given the Russian proposal for a conference careful examination, and preliminary observations submitted to the Soviet Government noted that the Formosa Government was to be excluded. The British Government had asked Moscow for a reply to these observations, but this has not yet been received.

Mr. Nehru, prior to his departure for home via Paris and Cairo today, told reporters that India had not rejected the Soviet conference proposal. A conference was desirable, he added, but it required a great deal of preparation and informal approaches beforehand.

He was hopeful about the world situation mainly because of the success of the Geneva conference last year, which had ended the fighting in Indo-China. In Geneva, the powers concerned had dealt with questions which were more difficult than the present problems, the Premier stated, yet a way out was found. The main danger, Mr. Nehru pointed out, was the possibility of incidents which may create a situation that cannot be controlled.

A negotiated settlement, the Prime Minister said, would not exclude any party concerned. India would do all she could to facilitate such a settlement. He pointed out that his Government did not recognize any government in Formosa, and "we have to deal with a single Government of China."

(Later last night, Mr. Nehru arrived in Paris, where he had a 90-minute conversation with the outgoing Premier, M. Mendes-France, and Foreign Minister Edgar Faure over lunch at Orly airport. The Indian Premier, who had intended to spend three days in Paris before the Cabinet crisis, is due tomorrow in Cairo, where he will stay for two days and confer with Prime Minister Abdul Nasser.) *(Reuter, UP)*

Refuses to Air Soviet Motion Now

NEW YORK, Monday. — The U.N. Security Council adjourned indefinitely today without taking any further decisions on the Formosa situation. The Council adjourned after rejecting by 10 votes to 1 a Soviet proposal that it should pass on immediately to consider alleged U.S. aggression against China. Only the Soviet delegate voted for the proposal.

Earlier, the Council had confirmed its agenda of two items. The first, and the one which would have received priority were the debate pursued, was New Zealand's resolution to consider a cease-fire in the islands off the coast of China. The other was the Soviet proposal to discuss what it described as American aggression against China.

The New Zealand delegate, Sir Leslie Knox Munro, expressed regret over China's refusal to participate in the Security Council discussion, and stressed that the sole aim was to bring about a cessation of hostilities in the offshore islands, emphasizing that fighting even on the smallest scale can grow without warning into a major conflict.

Cease-fire Indispensable

However, he stressed his Government's view that a termination of hostilities in the islands is an indispensable step towards a reduction of international tension, and said a solution of this difficult problem will require the unremitting application of patient diplomacy and wise statesmanship."

The British delegate, Sir Pierson Dixon, echoed Sir Leslie's regrets over the Chinese refusal to attend the session, but said his Government was in "close and constant touch" on the situation with other interested governments. Britain, he added, stands ready "to consider any concrete proposals that might provide the possibility of reconciling differences. But the immediate objective is to stop the fighting before it can spread any further."

Despite the urgency of the situation, Sir Pierson continued, it is clear that there is no use rushing the matter. He added: "Equally, it is incumbent on all concerned to see that the fighting is stopped and the risk of incidents reduced." The wisest course, he suggested, was to adjourn without taking further decisions.

U.S. Rejects Charges

Mr. Henry Cabot Lodge, the U.S. delegate, said the Chinese reply to the Council's invitation was "bound to hamper the achievement of a cessation of hostilities in the area." He rejected the accusations of aggression against the U.S., and said his Government was convinced that the Council must continue to seek the objective proposed by New Zealand.

The Soviet delegate, Mr. A. Sobolev, said that the expressions of regret and disappointment about Peking's response can hardly be taken seriously, "because no one expected an affirmative reply." The demand for a cease-fire, he declared, was nothing but a manoeuvre to force China to give up her sovereign rights over the islands and to enforce the illegal seizure of those islands by the U.S. and Gen. Chiang Kai-shek. *(Reuter, UP)*

Mao, Chou Warn Against Attack

HONG KONG, Monday. — The Chinese Chief of State, Mr. Mao Tse-tung, said tonight that Russia and China would wipe the "imperialists" off the face of the world if they started a war of aggression.

Earlier today, Premier Chou En-lai warned: "If the United States aggressive circles dare to launch an attack against us, the Chinese peoples are determined to defeat them."

Both spoke at a reception given by Mr. J.M. Lomakin, the Soviet Charge d'Affaires, in honour of the fifth anniversary of the signing of the Sino-Soviet mutual assistance treaty.

Mr. Lomakin specifically referred to Formosa. "The Soviet people desire the great Chinese people to exercise their sovereign rights and liberate Taiwan," he said.

Moscow Radio Denies Soviet Policy Shift

LONDON, Monday (Reuter).—A Moscow Radio commentator denied today that the decisions taken at the last session of the Supreme Soviet, when Mr. Georgi Malenkov resigned from the Premiership, involved a change in Russia's foreign policy.

In an English-language programme beamed to North America, the commentator declared that there was nothing in the speech of Marshal Nikolai Bulganin, the new Premier, to indicate "a change or turn in Soviet policy around which the Western propagandists have raising a hue and cry."

ISRAEL RECOGNIZES LAOS, CAMBODIA

The Israel Government has extended formal recognition to the states of Laos and Cambodia in Indo-China, according to an official announcement.

A decision to this effect was taken at last Sunday's meeting of the Cabinet and was conveyed yesterday to the envoys of the two states in Washington by the Israel Ambassador to the U.S.

Belgian Plane Missing

ROME, Monday (Reuter). — Hundreds of Italian police and volunteers searched by land, sea and air today for a Belgian airliner which vanished last night with 29 persons on board.

The plane, a Sabena airliner, sent out its last signal 15 minutes before it was due to land in Rome, when it was 10 kms. away.

Injured Cypriot Policeman To Be Treated in UK

Jerusalem Post Correspondent

NICOSIA, Monday. — Pascallis Savvides, 50-year-old Cypriot police inspector injured during the riots in the island on December 18 last year, will be flown to Britain this week at the Government's expense. Savvides received a serious eye injury after being hit by a stone during riots in Nicosia and has been under treatment locally since then.

Last month a Cypriot youth, injured when British troops opened fire on rioters in Limassol the same day, was flown to Edinburgh for special medical treatment also at the Government's expense.

3 Marauders Jailed

Jerusalem Post Reporter

BEERSHEBA, Monday. — An infiltrator from Jordan, who was in possession of 10 bullets when he was caught in Israel territory last October, was sentenced to three years in prison in the special court here today.

Two marauders from the Gaza Strip, both apprehended last December, were given sentences of two-and-half years and two years. An Israel Beduin, who was accused of infiltrating, was acquitted after five witnesses had testified that he had never left this country. He was charged with the offence after it was found that his name appeared in no list of Israel residents.

Johnston Confers in Syria Today

Talks will commence today in Damascus between Mr. Eric Johnston, President Eisenhower's special envoy to the Middle East and Syrian Government authorities, regarding the Jordan River valley project.

Mr. Johnston arrived in the Syrian capital yesterday after completing discussions with the Jordan Government. Before his departure from Amman yesterday, he explained that his scheme is to divide the Jordan waters so that Israel would receive 36 per cent, Jordan 55 per cent, and Syria and the Lebanon the remaining 10 per cent.

A member of the Johnston mission stated in Amman yesterday that the cost for implementing the Jordan River project would reach $190m.

A Jordan spokesman said that opposing views between his Government and the Johnston delegation had been narrowed down considerably.

Meanwhile, the "Christian Science Monitor" in Boston, carried a report from its Cairo correspondent saying that Mr. Johnston had reached an understanding with the representatives of Jordan, Syria and the Lebanon, on the general principles of the U.S.-sponsored plan. It seems certain that the principle of joint exploitation under international supervision was accepted by the interested countries despite the state of tension between Israel and the Arabs, the report said.

Since the Arabs still consider themselves technically at war with Israel, Mr. Johnston proposed the formula for acceptance of his plan while obviating the necessity of direct agreement between any of the states concerned. This would be through declarations of acceptance filed with the U.N. or another neutral body. *(NEABS, Reuter, INA)*

The B. C. of the party

B—for Brandy

C—for Cherry Brandy

Here is a pleasant cocktail to be served at any party, large or small.

One part — Brandy (Rishon) Extra Fine

One part — Cherry Brandy Liqueur of Carmel Oriental

Mix it yourself — Enjoy it with your friends.

TO THE TRAVELLING PUBLIC IN HAIFA AND VICINITY

CHANGES IN THE NUMBERING OF BUSLINES

The former line 51 has been divided up into three separate lines, as follows: The bus Haifa-Yokne'am — Ma'bara Yokne'am will bear the number 151. The bus-line Haifa - Mishmar Ha'emek will bear number 152. The bus Haifa, Ma'bara, Megiddo will bear number 153. The former line 58 from Haifa to [illegible] in the Mountains of Ephraim will bear Number 158.

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EXPRESS BUSES

From Hadar Hacarmel to Central Carmel and Ahuza will leave at the following hours: 12.15, 12.35, 13.15, 13.45, 17.15, 17.45, 18.15, 18.45, 19.15, 19.45; and on Fridays at 12.15, 12.45, 14.15.

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EXPRESS BUSES TO THE AVIV FROM MT. CARMEL

On Wednesdays: Bus leaves Shikhunat Eliv at 7.05 Ahuza at 7.15, Central Carmel at 7.20.

On Saturday nights and after conclusion of holidays: Bus leaves Shikhunat Eliv at 12.00, Ahuza at 12.15 and Central Carmel at 12.20.

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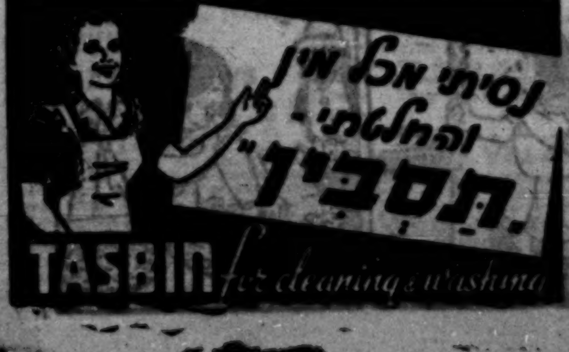
BUS SERVICE FROM AND TO THE GALILEE ON SATURDAY NIGHTS

Bus leaves Kiryat Shmone for Haifa at 18.30. Leaves Haifa at 20.00 and continues from Safed at 20.00.

EGGED

PUBLIC RELATIONS BRANCH



DUBEK 10
WITH FINEST MACEDONIAN TOBACCO

Social & Personal

The President and Mrs. Ben-Zvi were hosts to lunch yesterday to Mrs. S. Persitz, M.K., Mr. I. Harari, M.K. and Mrs. Harari, Dr. and Mrs. A. Grunott and Professor and Mrs. M. Rachmilewitz.

President Ben-Zvi, who arrived in Tiberias yesterday, will today attend the dedication of Peki'in, open the new approach road there and be present at the planting of trees by school children along the road.

•

ARRIVALS: Rabbi Ze'ev Gold, member of the Jewish Agency Executive, after five months in England and the U.S. on behalf of the Jewish Agency; 16 members of a group of French textile manufacturers, led by Mr. M. S. Potam for a three-week stay (by El Al); Dr. Giora Josephthal, Treasurer of the Jewish Agency, after a five-day visit to Paris (by El Al); Mr. Moshe Amiaz, Tel Aviv City Engineer, after a four-month visit to the U.S. where he studied town planning (by El Al).

•

DEPARTURES: Dr. A. Ne'eman, the Accountant-General, for Europe on Finance Ministry business. He will be replaced during his absence by the Assistant Accountant-General, Mr. Y. Amir.

•

Mayor Y. Kariv and many other Jerusalemites called yesterday on Mr. S. B. Yeshaya, the newly appointed Jerusalem District Representative, and tendered their best wishes for success in his new post.

•

Dr. A. S. Arnon, General Manager of the Citrus Marketing Board, has left for Europe on a business trip.

•

On the occasion of the 60th birthday of Mr. Hanan Yarden, the Administrative Director of the Jewish National Fund, a reception was held last night at the home of Mr. and Mrs. Yarden in Talbieh, Jerusalem. Present were members of the Board of Directors and staff of the J.N.F., and intimate friends of the celebrants.

•

Lionel Hampton, the jazz band leader, was made an honorary member of the Israel Musicians Union yesterday. He was presented with a membership card and a gold union badge at a reception held in his honour at the Histadrut Executive building in Tel Aviv.

BOAC Buying Beirut Air Company Stock

LONDON, Monday (UP). — British Overseas Airways Corporation has completed negotiations to acquire "less than 50 per cent" of the stock in the Middle East Airlines based in Beirut, a company spokesman said yesterday.

About 70 per cent of the stock is changing hands, he said, adding that the balance after B.O.A.C.'s purchases will go to private Lebanese buyers.

Middle East Airlines operates a number of services between principal cities in the region, and under the new arrangements will "feed" the trunk services of B.O.A.C. which stop at Beirut.

HADASSAH LEADERS PLANT TREES

The 24 Hadassah leaders now on a study tour visited Tsuriel settlement in Galilee on Sunday and took part in planting the first fruit trees and ploughing the first furrow in the settlement. A scroll commemorating the occasion was presented to Mrs. Dorothy Brill, Chairman of the Jewish National Fund Department in the Hadassah Council, by Dr. S. Lowy, member of the Fund's Executive.

Paris to Send Float To Adloyada

The city of Paris will send a float decorated with national emblems to the Tel Aviv Purim pageant, the Adloyada organizers announced yesterday.

To date, 38 firms and organizations have decided to parade their achievements in the the grand procession crowning Adloyada '55.

ON THE AIR

FIRST PROGRAMME
222, 346, 33.5 & 49.9 M.

News: Hebrew: 7 a.m., 1.30, 6.00, 8.15, 9.30 and 11.00 p.m. Arabic Programme (including News): 6 a.m., 2.15 & 6.30 p.m.

6.30 a.m. Service. 6.35 Exercise. 6.45 Musical Clock (R). 7.15 Melodies (R). 9.00 Close Down.

12.00 N. Music at Noon. 12.30 Housewives' Corner. 12.50 Light Music (R). 1.50 Break for Music (R). 2.30 Close Down.

4.00 p.m. Programme for Hospitals. 4.30 Light Music (R). 5.05 Agricultural Programme. 5.15 Language Corner. 5.30 Children's Hour. 7.00 Haifa Programme. 7.35 Sports. 7.45 Noah's Ark. 8.35 Bible Reading. 8.50 Newsreel. 9.05 Kol Yisrael Orchestra & Kol Zion Vocal Ensemble. Conductor: Heinz Freudenthal. Soloist: Rose Sender: Serenade for Strings (Weber); 2 Arias from "Rosalinda" (Handel); Symphony "Surprise" (Haydn); Song of Miriam (Schubert). 10.30 Requests. 11.05 Close Down.

SECOND PROGRAMME
447, 420, 222, [illegible], 48.9 & 30.3 M.

English News: 1.45 p.m., 10.15 p.m. French News: 2.00 p.m.

IMMIGRANTS' HOUR: 6.15 p.m. Programme for Yemenites. 6.30 French. 7.00 Ladino. 7.30 Yiddish. 8.00 Close Down. 8.15 Rumanian. 9.00 Hungarian. 9.15 Close Down.

KOL ZION LAGOLA (31.8 M.): 11.15 p.m. News. 11.30 "This Also Happened." 11.35 Oriental Requests. 11.45 Easy Hebrew Conversation.

ARMY PROGRAMME (41.6, 218, 320 & 365 M.): 6.00 Opening. 6.35 "Now & Never." 7.00 Light Music. 7.30 "Dance to Comp." 7.45 Noah's Ark. 8.30 News. 8.45 Short Stories. 9.15 Dance Music. 10.00 Close Down.

B.B.C. HEBREW BROADCASTS: [illegible]

LAW REPORT

The Jerusalem Post
February 15, 1955

In the Supreme Court Sitting As High Court of Justice
Before Justices Goitein, Berinson and Witkon.

Rabbi M.Y. Pollock, Applicant, v. Chief Rabbi Herzog and others, Respondents (H.C. 136/54).

"To'en" (Pleader) Must Be Given Fair Hearing

The High Court, by a majority decision, made absolute a decree nisi granted to the applicant on September 30, 1954, calling on the Supreme Rabbinical Council to show cause why the applicant should not be given a licence to appear as a To'en (Pleader) before the Rabbinical Courts.

Rabbi Pollock had applied previously to the High Court for an order nisi against Chief Rabbi Herzog, the Tel Aviv-Jaffa Chief Rabbi Unterman, and the Supreme Rabbinical Council, but at that time, in March 1953, the decree had been made absolute only against the first two respondents, since the High Court had found that the Supreme Rabbinical Council had no legal status. (See Law Report of July 11, 1954).

In the meantime two events occurred: Firstly, the applicant attempted to appear before the Rabbinical Courts as a *To'en*, without having had his licence renewed, and was prevented from so doing on the grounds that the High Court had not ordered the Rabbinical Courts to allow him to appear before them, and that he had no licence to appear as a *To'en*. Secondly, the Supreme Rabbinical Council was granted legal status by the Minister for Religious Affairs.

On September 13, 1954, Rabbi Pollock applied again to the High Court for an order nisi against Chief Rabbis Herzog and Unterman and the Supreme Rabbinical Council, as well as against the Rabbinical Court of Appeal and the Tel Aviv Rabbinical Court in an effort to have his licence renewed.

At the Return Day, the respondents claimed that the licence had not been renewed because complaints had been received against the appellant of unethical behaviour towards his clients and because he had reviled members of the Rabbinical Council and other rabbis and had behaved insultingly toward the Inquiry Committee set up to deal with his complaints.

Mr. Kubler appeared for the applicant and Mr. Levanon for the respondents.

The decision of the High Court was delivered in a minority judgment by Justice Goitein and a majority judgment by Justice Berinson, Justice Witkon concurring.

Minority Decision

Justice Goitein, after describing and analysing the various documents and letters produced by the applicant and the third respondent, was under the impression that pleaders in the Rabbinical Courts were evidently not vouchsafed the same respect and honour as were lawyers in the secular courts, and expressed surprise that the applicant should so persistently seek to be re-established in a profession which, as Rabbi Unterman had allegedly said, was not in keeping with his standing and which, according to the letters and documents produced, earned him only the disapproval and disfavour of his clients.

Justice Goitein then dealt with the question of whether the High Court had jurisdiction to order Rabbinical Courts to grant licences to pleaders. After referring to numerous English precedents in which the question of jurisdiction of the High Court to compel the Ecclesiastical Courts to restore licences to Proctors was dealt with, he concluded that it was probably not within the power of the High Court to interfere with the granting of certificates to pleaders by the Rabbinical Courts. But, since that was *not* the issue in the present case, as licences were granted by the Rabbinical Council, he preferred not to rule on the subject. He then turned to the question of whether the High Court was empowered to examine the actions of the Supreme Rabbinical Council, concluding that, as the latter was a public body the High Court was justified in interfering with its decisions if they were made arbitrarily or were based on other unacceptable considerations. Since the granting of licences to pleaders fell within the jurisdiction of the Rabbinical Council, therefore the High Court could order a licence to be granted if they felt that it had been unjustifiably refused.

In considering this issue, Justice Goitein said that he found it difficult, in the circumstances, to regard the applicant as an innocent victim of persecution by Rabbi Unterman — the picture which the applicant had painted of himself — but thought it would be nearer the truth to describe him as a man who suffered from a persecution complex. The question was whether, in view of the letters received by the respondents from some of the applicant's clients, they (the respondents) could in good faith have renewed his licence. After describing the contents of the letters, he concluded that the respondents certainly could not justifiably have turned a blind eye to these complaints.

Turning next to the applicant's main argument that he had not been given a fair hearing before the decision was taken not to renew his licence, Justice Goitein held that a Special Inquiry Committee had been set up, but that the behaviour of the applicant before the Committee had been such as to prevent a proper hearing, he himself having wasted the opportunity afforded him of defending himself. It was not clear, he continued, whether the Supreme Rabbinical Council, which was the proper body to refuse the licence, had dealt with the matter at all, or whether the decision had been made only by Rabbis Herzog and Unterman. If the latter were the case, the High Court would have been justified in interfering with the refusal to grant the licence. But he did not consider it necessary to decide on this point, since the applicant himself had argued that the Rabbinical Council had no power to refuse a licence, the rule granting this power to the Council being *ultra vires*.

Justice Goitein considered, therefore, that the order nisi should be discharged.

Majority Decision

In delivering the majority decision, Justice Berinson concentrated on the question of whether the Rabbinical Council had refused to renew the applicant's licence or whether the refusal had come from the first two respondents. He dismissed the contention that Rule 34 of the Rules of Procedure in Rabbinical Courts 1953, was *ultra vires*, but held that while, according to this Rule, the Rabbinical Council had the sole authority to renew or to refuse to renew a licence, it had, according to the evidence in the present case, not even dealt with the matter of Rabbi Pollock's licence. The decision not to renew the licence had been made by Chief Rabbi Herzog only.

The fact that the applicant had not asked the High Court to order the Rabbinical Council to consider his application for the renewal of his licence — on the mistaken plea that the Council had no jurisdiction in the matter — should not, in the opinion of Justice Berinson, deprive the applicant of his right of redress, especially since he had heard for the first time in the High Court that the Rabbinical Council as such had never dealt with his case at all.

Protection of the Citizen

It is the primary duty of the High Court, continued Justice Berinson, to mete out justice in any quarrel between the individual citizen and any public body which derives, or purports to derive, its powers from the laws of the State. No task allotted to the High Court was of greater importance than that of preventing the usurpation of powers by a body, or individual, to whom those powers were not legally delegated. In so obvious a case as this, where one rabbi had decided in place of eight men gathered together in council, and by his decision had deprived a citizen of his living, it was the duty of the High Court not to refuse, because of some technical irregularity, the appropriate remedy against an arbitrary decision.

Justice Berinson then went on to deal with the question of when and in what circumstances the Rabbinical Council would be entitled to refuse to renew the licence of a *To'en*, when there were no laws dealing specifically with this question. After citing local and American precedents, he concluded that the Rabbinical Council had no absolute and unchallengeable authority to cancel a licence at will, but that it had to exercise sound judicial discretion, on the basis of sufficient reasons and after giving the person affected a fair opportunity of defending himself. It could hardly be said that the special Inquiry Committee set up by the Tel Aviv Rabbinical Court to inquire into the applicant's conduct had given him a fair opportunity of defending himself, since it had invited him only to inform him of its decision to recommend that he be temporarily debarred from pleading in the Rabbinical Courts, and only as a result of his behaviour before the Committee had Chief Rabbi Herzog decided to debar him permanently. This meant, in effect, that he was punished not for his conduct as a *To'en*, but for his behaviour towards the Inquiry Committee.

Justice Berinson concluded that, in view of the circumstances, it would be only right and just to order the Rabbinical Council to give the applicant fair opportunity of pleading his case before them.

Order nisi made absolute.

Decision given on February 10, 1955.

EMERGENCY PHARMACIES

JERUSALEM: Geula, 14 Geula, 4280. Zion, 30 Ussishkin, [illegible].
TEL AVIV: [illegible], 3 King George [illegible]. Kreinkin, 10 Herzl, [illegible]. [illegible], 3 Kikar Dizengoff, [illegible]. Nordau, 165 Ben Yehuda, [illegible]. Baruch, Hatikva Qtr., [illegible]. JAFFA: Noga, near Noga Cinema, [illegible]. RAMAT GAN: [illegible], 19 Herzl. Yisrael, Shikun Herut. BNEI BRAK: Rosenthal, Kiryat Hayeshivah.
HAIFA: Natan, 21 Joseph, [illegible]. [illegible], 17 Hagannim, [illegible]. KIRYAT BIALIK: Bialik, [illegible]. SAFAD: Feldman.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. L. Romanoff, 11 Arlosoroff, 41217. Dr. S. Greenwald, 8/30 Greek Colony, [illegible].
TEL AVIV: Dr. M. Shaham, 1 Syrkin, [illegible]. Dr. N.I. Sacher, 165 Dizengoff, [illegible]. Dr. Levitan, 11 Hayarden, [illegible].
HAIFA: Dr. Sherman, 3 Hanevi'im, [illegible]. Dr. Ludwig, [illegible]

AT THE CINEMA

THE American in Paris had a short but happy married life. War separated him from his wife and child; the wife was killed by the Gestapo. "Little Boy Lost" (Armon, Haifa) tells how he returned to France to seek the child and how he found it. Although the plot develops along this theme, the crux of the film is the contrast between the fate-saddened, sickly wartime waifs who need a home, and the element of personal vanity in the hero's search. Despite the fact that all's well that ends well, at moments the spectator feels his interest to be not so much in the child to be helped as in the attempt to recapture lost bliss and to find a child who will be exactly what he imagines a son should be.

The role of the American is played by Bing Crosby, who sings few songs but mainly acts, straight acting without any furbelows and false notes. Christian Fourcade plays the boy with the usual ease of childhood. A film that, under a rather simple exterior, provides a good deal of depth.

The Blue Gardenia

YOU know the murderess from the start. You watch that first acquaintance at the telephone exchange. You note the despondency of the heroine (Anne Baxter) and follow her to the blind date at "The Blue Gardenia" (Orion, Haifa). You are sure that she has inadvertently killed the pin-up artist. It then becomes a case of wondering who will unearth the murderess first, the police or the journalist (Richard Conte). But the director, Fritz Lang, plays unfair with the audience.

H.

Shakespeare in Technicolor

THE prize-winning British-Italian production of "Romeo and Juliet" (Armon-David, Tel Aviv) is a brilliant, if not wholly successful attempt to translate Shakespeare into pure cinema terms.

Renato Castellani, its Italian director, has shocked some purists by his free adaptation of the play for mass consumption, including the insertion of new scenes and additional dialogue. He has laid great stress on the visual aspects of the film, ensuring much pleasure to audiences with little knowledge of English. The film was shot in Verona itself, in the most tasteful colour we have seen on the screen, against its natural historical setting. But the acting and drama simply cannot match the pictorial glory.

Laurence Harvey and Susan Shentall are quite convincing as the "pair of star-cross'd lovers," though they lack real distinction. Sebastian Cabot's portrayal of the impetuous Capulet is the outstanding performance, and his acting, in the classic Shakespeare tradition, makes many of the other players look hardly more than adequate. But if this is not absolutely first-rate Shakespeare it is certainly cinema art near its best.

J.L.

Cinemas

JERUSALEM

At 2.30, 6.30 and 8.30 p.m.
ARNON: Beachhead.
EDEN: Torch Song.
EDISON: Jealousy, 2nd week.
ORGIL: The Moon is Blue, 3rd week.
ORION: Prince Valiant, 2nd week.
ORNA: Crossed Swords.
RON: "L'Age de l'Amour", 3rd week. At 1.30 p.m.: Buck Private.
STUDIO: Kind Hearts and Coronets.
TEL OR: "La Route du Bonheur".
ZION HALL: Lucrece Borgia, 2nd week.

TEL AVIV

At 3.30, 7.15 and 9.15 p.m.
ARMON DAVID: Romeo and Juliet.
ALLENBY: "Les Enfants de l'Amour", 6th week.
CHEN: The Caine Mutiny, 3rd week.
EDEN: Sins of Jezebel.
ESTHER: Scandal at Scourie, 2nd week.
MOGRABI: The Robe, 3rd week; 3.30, 7.15 and 9.45 p.m.
OPHIR: "Le Grand Jeu", 2nd week.
ORION: City Lights.
TAMAR: Come Back, Little Sheba, 6th week. Continuous from 9.45 a.m. to 5.45 p.m.: Alias Nick Beal.
ZAMIR: So Big, 9th week; 7.15 and 9.15 p.m. Continuous from 10 a.m.: Conquest of Everest.

HAIFA

AMPHITHEATRE: Three Coins in the Fountain, 3rd week.
EN DOR: Warpath.
ORION: The Blue Gardenia.
PEER: "Menzogna".
GAL OR: Dance Little Lady, 4th week, 6.45 and 9 p.m. Matinees: Along the Great Divide.

Postmarks for Music, Tourists and Rotary

A special post office branch is to be opened on board the s.s. Britannic tomorrow and Thursday, when the liner will be anchored in Haifa Port. Letters posted on board will bear a special franking mark to be used on tourist vessels.

A post office, with a special frank, will be opened at "Beit-einu" in Haifa on February 20 in honour of "Hebrew Music Week."

The 50th anniversary of Rotary International will be commemorated by a special cancellation mark to be used by the Jerusalem Post Office on February 23.

The Ministry of Posts has also announced that certain brief phrases (for example: *bar mitzva*) will now be considered as one word in telegrams. A list of such phrases is available at all post offices.

Where to go

JERUSALEM

★ Conference:—
Annual Conference of the Association of Friends of the Biblical Zoo in Jerusalem, University Biology Department, Talbieh, 8.30 p.m.

★ Exhibitions:—
"Solarfixes"—Photographs by Theodore Brauner. Artists House, 10-1, 4-6. Fridays and Saturdays 10-1.
Opening by Mr. Joseph Sprinzak of Copper and Silver Reliefs Exhibition by Arieh Merzer, 5 p.m. Artists House.
"Conquest of the Desert" permanent exhibition at the former Israel pavilion of the International "Conquest of the Desert" Exhibition. 10-1, 4-6 p.m.
Department of Antiquities, special exhibition: Excavations of a Cana'anite Temple on the seashore of Nahariya (XVIIIth-XVth centuries B.C.E.), 25 Rehov Shlomo Hamelech. Open 9-1.
Oil Paintings and Pen Drawings by Yoel Bergner. Exhibit of the Month: Glass Vessel mounted in gold, 1st-3rd centuries A.D.; gift of Mr. Jack Linsky, New York. Also Arts and Crafts Exhibition in memory of Mr. Y. Elath. Bezalel Museum, 9-1, 3-5, Fridays 9-1, Saturdays 10-1.

★ Film Shows:—
Keren Hayesod, for tourists and visitors, 11:30 a.m.

★ Library: —
American Library and Reading Room, U.S. Consulate Mamilla Rd. Entrance free, 9-1, 3-6.

★ Lectures:—
Dr. Wolfson on "Arnold Schoenberg, outstanding Jewish Composer." Omen Mizrahi Women's Organization Club, 4.30 p.m. Members and friends are welcome.
Justice E. D. Goitein, former Minister at the Israel Embassy in Washington, will lecture to the Israel Association for the United Nations, on "The Significance Today of the U.N. for Israel," to be followed by a Film Programme. Hall of the Evelina de Rothschild School, 7.45 p.m.

TEL AVIV

★ Exhibitions: —
1) Abstract and Surrealistic Paintings. 2) Moshe Castel, works of 1950-55. Open daily 10-4, Fridays, Saturdays 10-1, Sundays 4-10 p.m. — Tel Aviv Museum.

★ Theatre: —
The Miser Chamber Theatre, Mograbi, 8 p.m.
Habimah, "The Caine Mutiny" Habimah, 8 p.m.

HAIFA

★ Theatre:—
DO-RE-MI "Rose from Istanbul," Orah, 6.30 and 9 p.m.

★ Exhibitions:—
Ceramics by Mrs. Goldenfun-Barta; Drawings and Gummi Arabicum pictures by Mrs. Ilana Shafir, 11-1, 5-7. Traclyn Art Gallery, Reh. Bezwald.

★ Recorded Concert: —
PORGY & BESS, Gershwin's complete opera. L.P. Records, Fevsner Hall, 8 p.m.

JAFFA

★ Theatre:—
Yiddisher Komedie Theatre—"Die Dorfische Libe" — Libgold, Liliana. Nogah Cinema — 8.30 p.m.

NATANYA

★ Theatre: —
Habimah, "Hedva and I," 8 p.m.

HERZLIA

★ Theatre:—
"Motke fun Odes" P. Burstein — L. Lux Tiferet Cinema — 8.30 p.m.

Yesterday's Press:

Arab Inroads Political

The political character of the most recent attacks by Syrian and Jordan forces has been a matter of much concern, says "Davar" (Histadrut) in its leading article. The Syrians want to undermine Israel sovereignty over the demilitarised zone and give additional stress to their demands, which have no legal foundation. It is difficult to assume that the attacks have been undertaken without the knowledge of the Syrian Government. And in the Beit Guvrin area, the Arab Legion, in collaboration with the "National Guard," attempted to seize a position inside Israel territory because Israel patrols there "had annoyed the Arabs" — to quote the Jordan press.

"Hatsofe" (World Mizrahi Union) fears that refraining from counter-action in cases of open and permanent provocation may create a mistaken impression of weakness. The paper demands that it should be made abundantly clear that further incidents will have very serious results indeed for the attackers.

"Herut" feels that the two soldiers killed in the Beit Guvrin battle were victims of the Government's defeatist policy. The impertinence of the Arab Legion has been growing of late, and the blood shed at Beit Guvrin calls for a speedy end to the present policy of "self-restraint."

G.Z.'s Point to USSR

"Al Hamishmar" (Mapam), dealing with Mr. Eshkol's budget speech, maintains that the Minister exaggerated the Government's achievements. Its dis-inflationary policy has turned out to be one-sided, affecting mainly the workers and the poor. "Haboker" (General Zionist), on the other hand, criticizes "egalitarian trends" in wage policy and supports the salary demands of the state legal officers, though they may have chosen the wrong moment to press them. Israel should follow the example of Soviet Russia, where the egalitarianism of the years just after the Revolution has long been discarded and where the "intelligentsia" is now paid the most.

"Ha'aretz" (non-party) says that the slogan of "nationalization" of this country's health services will not solve all the present problems, but the merger of the existing health services will achieve coordination and do away with overlapping and competition.

"Zmanim" (Progressive) welcomes the news that the Physicians Association has decided to suspend those of its members who are involved in the narcotics affair until the investigation is concluded. Unfortunately, political and professional associations all too frequently lack courage and try to hush up such charges, fearing that the offences of one prominent member will jeopardize the reputation of the whole group. This attitude is part of the Galut heritage and should be discontinued once and for all.

ISRAEL IN I.L.O.

GENEVA, Monday (INA). — Israel has been elected for the first time to the 21-nation Committee for Chemical Industries of the International Labour Organization.

ZOA House
Song Recital
on Feb. 16, 1955
at 8.30 p.m.
Rela Miron-Mirenburg
at the piano: Arieh Sachs
PROGRAMME:
Mozart, Mendelssohn, Schubert, Tschaikowsky, Halevy, Lavry, Nardi, Jacobsohn, etc.
Tickets available at Z.O.A. & at Ticket Agencies "Rococo" "Adria" & Schlesinger-Springer,
2 Rehov Nahlat Benyamin,
TEL AVIV.

Tiberias Yaacov Net 9 In Jordan Valley League

Tiberias Yaacov registered a big win in the Jordan Valley League, for Hapoel soccer sides, when it defeated hosts Degania 'B', 9-2 on Saturday. The visitors lead 7-0 at halftime. Afikim also gained an away win, winning 3-0 at Yavniel, after a goal-less first half. Other results were: Ein Gev 2, Zemah 1 (1-0 halftime); Ma'agan 2, Gesher 1 (3-0); Ha'on 1, Alumot 0 (0-0); Kinneret 2, Ginossar 1 (2-0).

In League B (Southern section) matches on Saturday, two away wins were recorded with Jerusalem Maccabi vanquishing Sha'arayim Maccabi 2-0, with two goals scored in the second period, and Rishon Le Zion Hapoel notching a notable win by beating Jaffa Maccabi, 3-1, on their pitch. The three goals came in the second half.

The Northern section game between Natanya and Kiryat Haim Hapoel on the first-named's ground, ended in a three-all draw, after the visitors had led 3-0 at the change-over (not as given Sunday).

A big away win was also achieved in League C when Holon Hapoel beat Lydda Maccabi at Lydda, 4-0, scoring twice in each half. Other results were: Even Yehuda Hap. 3, Benyamina Macc. 1 (1-0) and Be'er Yaacov Hap. 1, Ramle Hap. 0 (1-0). (Other results given Sunday).

Ra'anan to UK Champs.

Israel's diving champion Yo'av Ra'anan is to take part in an international diving tournament in England on March 4 and 5 next, which is being organised by the English Diving and Swimming Association. International stars from the host country, France, Belgium, West Germany and the U.S.S.R. are expected to take part. The event is to be broadcast and televised.

SPORTS EMBLEM TRIALS

Trials for the Sports Emblem, sponsored by the Physical Training Department, are held every Thursday at 4 p.m. on the Kiryat Eliyahu field.

Notice to the Public

CUSTOMS AND EXCISE DEPARTMENT
Haifa Custom House
TENDER No. 4/55

Offers by licensed dealers in medicines and dental and medical supplies are hereby invited for the purchase of

1. 171 cases of rolls of plaster, assorted sizes.
2. Various instruments and equipment for physicians, as X-Ray supplies and parts, short wave apparatus etc.
3. Medicines and various medical supplies.

The 171 cases of plaster rolls are stored in the Bonded Warehouses of "Transit" near the Matza-Su Factory, Plot 16/52.

All other goods are stored in Warehouse No. 11, Haifa Port.

The merchandise may be inspected and additional information will be supplied at the storage sites on March 1, 2 and 3, 1955, between 8 a.m. and 12 noon.

Offers are to be submitted on the bid forms which can be obtained from the Customs officials in charge of the Warehouses or at the Sales Department of the Haifa Custom House. Forms must be marked with the Number of the Tender and should be enclosed, together with a bank draft in the amount of 10% of the offered price (made out to the Haifa Customs Collector), in a sealed envelope. Private drafts will not be accepted.

The bids should be deposited in the Bid Box in the office of the Assistant Customs Collector, Room No. 1, Haifa Custom House.

Bidders are not obliged to bid on all of the goods offered for sale.

The last day for submitting bids is March 10, 1955 at 12 noon.

Bidders must abide by all the conditions of this Tender. Any changing of its conditions may cause the bid to be voided.

The Haifa Customs Collector is not obliged to accept the highest bid or any bid whatsoever.

HAIFA CUSTOMS COLLECTOR.

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Guarantee available.
Please write to: No. 3752, P.O.B. 681, Tel Aviv.

American couple with three children need
5 or 6 rooms
completely furnished for about one year in vicinity of Tel Aviv or Ramat Gan.
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Ring 6407
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We clean offices, factories, flats (after white-washing) libraries and carry out all kinds of disinfecting and destroying of insects-pests.
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32 Reh. Nahlat Benyamin, Tel Aviv. Phone 4713.

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The new office for cars
Purchase-Sale-Exchange
announces its opening.
We offer a wide choice in cars of all types and prices.
2 Rehov Chlenov, Tel Aviv
corner Petah Tikva Rd. Tel. 8234

BEILINSON HOSPITAL
Kupat Holim of the General Federation of Jewish Labour in Israel — Petah Tikva — P.O.B. 85
Change of Phone Numbers
Since last Sunday, (Feb. 13, 1955) we have a direct line from Tel Aviv and vicinity. Our telephone numbers are as follows:
From Ramat Gan (Tel Aviv) Exchange: 72171-2-3-4-5-6
From Petah Tikva Exchange: 581-582
Hospital Management

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HASPAKA
TRY THE MODERN PLANT FOOD
PLANTO FERTILIZER
Ideal for ORCHARDS LAWNS FLOWERS VEGETABLES
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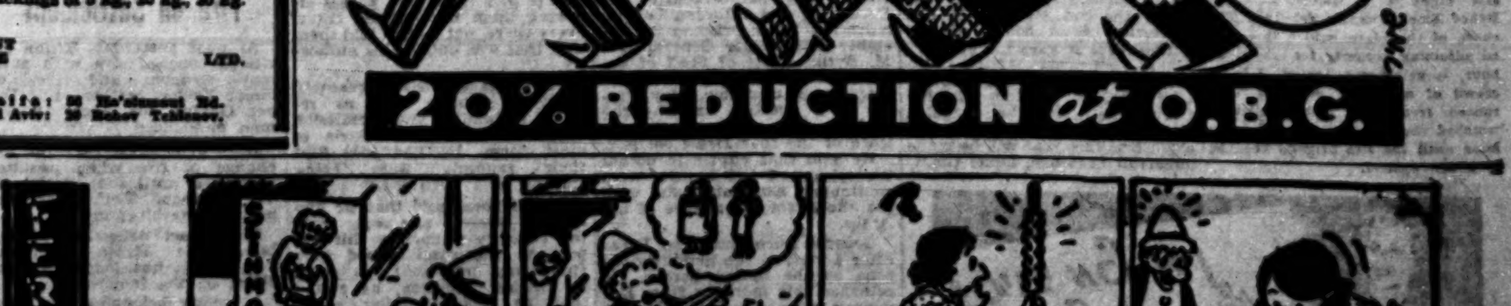

TNUVA CREAM
TASTY AND NOURISHING

Today's Post Bag

THE WEATHER

FORECAST: Fair with slight cloudiness.

	*A	B	C	D
Mt. Cana'an	76	9	16	17
Tiberias	71	12	22	23
Haifa Port	60	15	20	21
Natanya	73	13	21	21
Tel Aviv North	58	12	21	22
Tel Aviv Port	62	13	18	20
Lydda Airport	61	8	20	22
Jerusalem	64	9	14	17
Beersheba	54	10	19	21
S'dom	—	13	—	23
Eilat	35	16	26	25

*A) Humidity at 2 p.m. B) Minimum temp. C) Maximum yesterday. D) Maximum temp. expected today.

• • •

A 100-GRAM ration of frozen meat is to be distributed this week.

• • •

CITRUS fruit exports in the second half of the season show a marked increase over the beginning of the season, according to a Citrus Marketing Board spokesman. In the past two days, 70,251 crates of citrus had been loaded aboard ships in Haifa Port and a further 15,788 in Jaffa Port.

• • •

THE SECOND GROUP of South American tourists to visit this country under the "Popular Tours to Israel" scheme organized by the Histadrut, have arrived for a fortnight's visit. The first group left 12 days ago.

• • •

A GROUP of ten young persons from South Africa left by El Al early yesterday morning for Johannesburg after spending two months in Jerusalem being trained as youth movement leaders by the Jewish Agency.

• • •

A PAIR OF dividers enclosing the letters Tav Yod (*Tekem Yisrael* — Israel Standard), has been chosen as the winning entry in a contest sponsored by the Government Emblems Committee for a design for an Israel Standards Emblem. The three winners are Miss Esther Landau-Ledigensky, of Haifa, and Messrs. Ya'acov Zim and Peretz Cohen, who received first, second and third prizes respectively.

• • •

AN ARABIC WEEKLY "El Manar" ("The Lighthouse") began publication this week. The weekly, sponsored by the Histadrut, aims at integrating immigrants from Arabic-speaking countries into the life of Israel. This is the sixth Israel Arabic weekly.

• • •

A ONE-YEAR PRISON term imposed on a 30-year-old habitual thief was annulled yesterday by the Jerusalem District Court after he had agreed to enter a mental home in Acre for observation and treatment.

• • •

A QUARTER-TON iron safe, containing IL.1,613 and documents, was stolen from the offices of the Solel Boneh in Ramat Gan early yesterday morning.

Italy Entertains In Haifa Port

Jerusalem Post Reporter

HAIFA, Monday. — The Dante Alighieri Society's Haifa Branch was At Home last night on a piece of Italy afloat — the glittering Adriatica liner s.s. Messapia, for its annual ball, held under the auspices of the Italian Minister, Benedetto Capomazza, marchese di Campolattaro.

The Dante Society's branch here was formed in the winter of 1953, and the ball, which is to be an annual occasion, brings together the Italian-speaking community and friends of Italian culture. The Society is international and was founded in 1885 by Giacomo Venezian, an Italian Jew, who was the first who thought of linking the growing number of emigrants from Italy to their former homeland by cultural and spiritual ties.

As in other countries, the Dante Society in Haifa holds language courses for beginners and advanced students, which are given by Prof. Salomone Gattegno, Cultural Attache to the Italian Legation, and sponsors concerts and lectures on subjects dealing with Italy's rich cultural heritage. In Haifa, the Society already has 800 members.

The proceeds of last night's function at which the Italian Consul, Mr. Furio Zampetti, was the host will be devoted to establish elementary, secondary and University scholarships for pupils and students who distinguish themselves in a knowledge of Italian or by essays on subjects connected with Italy. The guests enjoyed until well after midnight Italian hospitality and the beautiful ship.

TEL HASHOMER NURSES PLAN STRIKE

Jerusalem Post Reporter

BNEI BRAK, Monday. — The 800 workers of the Tel Hashomer Government hospital have threatened to stop work for two hours at one o'clock on Wednesday afternoon as a protest against the refusal of the Ministry of Health to pay extra rates for Saturdays and overtime.

RATION NEWS

JERUSALEM: Eggs: 4, Samech 17, temp. 5. Tomatoes: coupons 10 and 11, 500 gms. Tav Aleph 4, temp. 42. TEL AVIV AND SOUTH: Eggs: 6, Samech 17, temp. 4. Poultry: for Aleph, Bet and Gimel cards, 300 gms. Ayin 32. Elderly persons: 300 gms. Mem Heh 41. Invalids: Het Aleph 1, Het Bet 7, 500 gms. White flour: 750 gms. no coupon, temp. 14. Semolina: 500 gms. for Aleph and Bet cards, no coupon, temp. [illegible]. Tomatoes: 500 gms. Tav Aleph 4, temp. 42. Bananas: 500 gms. Tav Bet 21, temp. [illegible].

Revenue to Top IL.608m. Estimate For Fiscal Year, Says Sapir

Jerusalem Post Reporter

Government revenue in the first nine months of the present fiscal year (April-December 1954) amounted to IL.442m., which is almost 73 per cent of the estimate for the entire year.

Since revenue is usually highest during the last quarter of the fiscal year, it is safe to predict that total revenue for the year will be well above the IL.608m. originally estimated, Mr. Pinhas Sapir, Director General of the Ministry of Finance, told a news conference in Jerusalem yesterday.

Since expenditure as of the end of December was IL.447m., the deficit as of that date was only IL.3.8m., or IL.1m. less than at the end of November.

Mr. Sapir announced that the excess revenue expected will probably make possible the submission of a supplementary expenditure budget to the Knesset early next month. The additional appropriations will be largely for security purposes, it is understood.

Income tax has yielded IL.78m., or 74 per cent of the IL.105m. estimated for the whole year. But it is almost certain, Mr. Sapir said, that the estimate will be exceeded by at least IL.10m. Last year, only 70 per cent of the annual estimate was collected by the end of December.

Customs Duties Off

On the other hand, general customs duties amounted to IL.28.6m., or 64 per cent of the IL.45m. estimated, and actual revenue for the entire year is not likely to reach that amount.

Purchase taxes, land improvement tax, and excise on beverages and cement are expected to bring in more than the original estimates, Mr. Sapir stated.

All direct and indirect taxes together totalled IL.183.6m. by the end of December, or IL.4.5m. short of the IL.188.1m. estimated. However, total tax receipts in January amounted to IL.26m., Mr. Sapir revealed, bringing receipts practically up to expenditure.

Receipts from the Reparations counterpart fund amounted to IL.65.9m., while the U.S. Grant-in-Aid fund totalled IL.61.6m.

Mr. Sapir also announced that the Government's debts to private banks (to the exclusion of the Bank of Israel) amount to less than IL.2m.

Income, Outlay For 9-Month Period

REVENUE

Ordinary revenue	IL.[illegible]
Transfer revenue	11.6m.
Posts & transport	26.7m.
Counterpart funds & receipts from Development Budget	[illegible]
	IL.442.1m.

EXPENDITURE

Ordinary expenditure	IL.191.1m.
Transfer expenditure	10.2m.
Posts & transport	25.8m.
Development Budget, debt payment, & special expenditure	[illegible]
	IL.[illegible]

Bonne Becomes Dean Of Kaplan School

Dr. A. Bonne, Professor of Economics at the Hebrew University, has been elected Dean of the Eliezer Kaplan School of Economics and Social Sciences—the Hebrew University, following the request of Professor R. Bachi to resign as from today.

Professor Bonne, who will hold office until the end of the winter term, 1957, came from Germany in 1925, and became Director of the Economic Archives for the Near East (affiliated to the Hebrew University). Since 1943 he has been Director of the Economic Research Institute of the University.

Professor Bachi has served as Dean of the Kaplan School since its inception in November, 1953, and for two years prior to that was chairman of the Department of Social Sciences at the Hebrew University.

Bentor to Direct Geology Institute

Dr. Jacob Bentor, Lecturer in Petrography and Mineralogy at the Hebrew University, has been appointed Director of the Israel Geological Institute.

Dr. Bentor was born and educated in Germany and received doctorates from the Hebrew University and the Sorbonne. He has been responsible for some of the most important mineral discoveries in Israel, the best-known being that of phosphates in the Negev, which he uncovered early in 1950. Recently he found in the Negev and the Judean hills large quantities of absorptive clays used in oil refining.

Dr. Bentor succeeds Dr. F. Brotzen, the Swedish palaeontologist, who has served as Acting Director of the Institute.

Beit Gil Charges Filed

Jerusalem Post Reporter

Charges of illegal building and violating a building licence in the construction of Beit Gil in the Katamon quarter of Jerusalem have been filed in the Municipal Court against the registered owners, Mr. Rafael Tarabulous and Mr. Yitzhak Ben Atar, the contractor, Mr. Ezra Levy, and a tenant, Mr. Levi Ya'acov Hillel. Two similar suits were withdrawn several months ago in order to enable the Municipal Legal Department to combine the charges in one suit.

In addition to failing to build two large cesspits and a water cistern, there are charges of illegally building a two-room apartment (occupied by Mr. Hillel), building a laundry room on the roof, and turning part of one storey, which should have been a shelter and a laundry, into living quarters.

Strikers Arrested

TEL AVIV, Monday. — Police arrested strikers outside the Titan metal works in Rehov Ha'aliya here today after the owners had complained that the pickets were preventing them from taking material from the factory area.

The 29 workers have been on strike for six days because of the refusal of the owners to conform to the terms of the collective agreement applicable in the trade. They were released on bond.

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Haifa Council Passes IL.12m. Budget

Jerusalem Post Bureau

HAIFA, Monday. — The Haifa Municipal Council, with a majority of 12 against 8, approved the regular budget of IL.12,252,098 for 1955/56 tonight. Of this sum, IL.1,140,325 is to be a Government grant apart from teachers' salaries, which are paid entirely by the Government.

Mapai, Mapam, Ahdut Avodah and the Orthodox parties voted for the budget, while the General Zionists, Herut, Progressives and Communists voted against.

A five per cent discount will be given for payment of rates before May 31, the Council majority decided.

General Zionist and Progressive councillors moved to put on the agenda precautions against fires in the industrial zone. The Mayor said that the recent fire there had occurred outside the city limits and that the authorities concerned had not stopped factories using inflammable materials from crowding into the same vicinity.

A survey would now be made to avoid this in the future. It was also proposed to force factories to take elementary preventive measures, to prepare fire-fighting equipment, and to make compulsory a written certificate from the Fire Brigade that such precautions had been taken. A temporary fire fighting station with a crew of six was to be opened in the area shortly.

Haifa Buses Block 'Sherut' Routes

Jerusalem Post Bureau

HAIFA, Monday. — Egged took the offensive this morning in its feud with *sherut* taxis here, when several dozen empty buses blocked the streets and immobilised taxis at several traffic terminals throughout town. Traffic police quickly intervened, arrested four obstreperous Egged drivers, cleared the streets of buses, and issued a large number of summonses to both sides.

An Egged spokesman described the operation as a "spontaneous reaction" to yesterday's opening of eight regular *sherut* lines by the Taxi Drivers Association. Asked by the Press how so many empty buses could be spared, when Egged bemoans the shortage of vehicles, he explained that they were buses returning empty after trips of schoolchildren for tree planting.

Egged had rejected a Municipality proposal for settling the transport feud and had made a counter-proposal, the spokesman said. The Mayor had promised not to sanction the *sherut* lines until the dispute had been settled. Hence, the spontaneous protest against the premature opening of *sherut* lines, he explained.

Taxis defied the ban on parking within 15 metres of bus stops, thus slowing down bus traffic, the Egged spokesman charged.

The Taxi Drivers Association explained the opening of the lines by the excessive increase in licences for public vehicles since 1948, (187 per cent). Despite the Ministry's promise of a stop last year, 168 new taxi licences had been issued, 40 to invalids. Haifa taxis had increased from 156 in 1951 to 400 today. The Association (affiliated with the Histadrut) had warned the drivers not to halt at bus stops but to park in side streets.

The drivers' spokesman admitted that the Municipality had not yet settled the dispute, but he insisted that they had "a public right" to run their lines by virtue of the licences. *Sherut* drivers would now be subjected to strict discipline, and pay a deposit from which fines for overcharging and other breaches would be deducted. The Association would issue a fare list and open new lines, even where they are not profitable, such as to the Bayside suburbs, to Tirat Hacarmel, Neveh Sha'anan and the Sieff quarter. In no case would the fare exceed that for a special trip divided by the number of passengers.

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The Jerusalem Post, Rehov
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Hula Central Canal To Be Finished in May

Jerusalem Post Reporter

Excavation of the central canal of the Hula drainage project is expected to be renewed at the end of the month with the completion of repairs to the engine of the large dredger, Mr. A. Brachyahu, supervisor of the Jewish National Fund project, announced in Jerusalem yesterday. All work has been halted since the engine was gutted by fire at the end of December.

The eastern and western canals have been joined at the centre of Lake Hula, Mr. Brachyahu said, adding that the central canal will probably be finished by the end of May.

Cleaning operations have been carried out in the Jordan River bed along a seven-kilometre strip north of the northern canal, Mr. Brachyahu revealed. These operations are aimed at easing the flow of water, preventing floods and permitting the preparation of the surrounding land for agriculture.

Several isolated lakes south of Gonen settlement are also being drained to prepare the land for agricultural use.

In connection with the preservation of wild life, Mr. Brachyahu revealed that embankments have been constructed around wild life plots which will become game and animal reserves.

Hula Nature Reservation

A committee for the preservation of wild life in the Hula valley has been set up by the Ministry of Agriculture in conjunction with the Jewish National Fund and the Nature Protection Society, Mr. P. Naftali, the Minister of Agriculture, told the Knesset yesterday. A proposal to this effect was made about a year ago by Mr. Y. Bar Yehuda, whose question the Minister was answering.

An area has already been set apart in the Hula as a nature reservation, and is to be cared for by the committee until a regular body is established for this purpose.

Social Sciences School Opens in Haifa

Jerusalem Post Bureau

HAIFA, Monday. — A High School of Social Sciences jointly established by the Hebrew University and the Haifa Labour Council was opened here tonight. The four-year course of evening classes will correspond to three years of study at the Hebrew University for those who pass the final examinations. The University determines the curriculum, appoints lecturers, selects the students and holds examinations.

The 40 students this year will take courses in sociology, political economy, Middle East economics, the labour movement and Histadrut enterprises. They will each pay a IL.200 tuition fee per year. The Labour Council does not contribute to the school budget.

100 Professors, Lecturers Going Abroad on Leave

Jerusalem Post Reporter

About 100 Israel professors and lecturers are going abroad this year on sabbatical leave to lecture at foreign educational institutions, Mr. Eliezer Doron, of the Cultural Relations Division of the Foreign Ministry, told a meeting arranged by the Civic Education and Information Services and the Society for the Advancement of Science in Jerusalem last night.

Mr. Doron stressed the importance of cultural relations with foreign nations, which in some cases were more important than political or economic ties. Israel had cultural agreements with five nations and intended to sign several more. Hebrew Cultural Institutes had been opened in Buenos Aires and Rio de Janeiro and two more were to be inaugurated shortly in Western Europe.

Mr. Doron stressed the need for Israel scientists to participate in international conferences, and revealed plans for the establishment of a Fund to translate Israel literature into foreign languages.

4-YEAR PLAN

The Ministry of Finance intends to begin preparation of a four-year development programme, the Minister, Mr. Levi Eshkol, told the Economic Advisory Council yesterday.

IL.1 Fine for Not Taxing Himself

For failing to pay purchase tax on an easy chair and a bookcase which he made for his personal use, Mr. Ze'ev Kutalkovic, a carpenter, was yesterday fined IL.1 in the Jerusalem District Court sitting as a Court of Appeal.

Mr. A. Tell, Deputy District Attorney, who appeared for the State, claimed that the world "sale" meant "use for any purpose by the merchant or the manufacturer."

Mr. Henry Baker, Relieving President of the District Court, and Judge M. Gaslan, accepted the definition, but noted that it was "artificial." Judge Yehuda Cohen claimed that it was not reasonable to include personal use in the definition of "sale."

In his judgment, Judge Baker regretted that the law defined the word in such a way that the ordinary meaning became obscure to the man in the street, and therefore he was only imposing a token fine. *(Itim)*

M.K.s Study Problems Of Or Yehuda Area

Jerusalem Post Bureau

RAMAT GAN, Monday. — The 16,000 persons living in the Or Yehuda area, which is comprised of *ma'barot* Sakiya Alef and Bet and Kfar Ana, have been without water and sanitary services for the past 40 days, Mr. Shlomo Zippman, Secretary of the Or Yehuda District Committee, told the visiting Knesset Interior Committee yesterday. The Committee, headed by Mr. Nahum Het, its Chairman, also visited Migdal Ashkelon and Be'er Tuvia to acquaint themselves with the Council's problems at first hand.

Mr. Zippman stressed the difficulties of the Local Committee in raising loans to consolidate its debts and enforcing collection of rates as it did not have any legal status. The Committee's employees have been striking for their wages which are four months in arrears. Members of the Committee claim that their financial difficulties arise from the Ministry of Interior's delay in granting Or Yehuda legal status.

(A spokesman for the Ministry of Interior stated yesterday in Jerusalem that the Ministry was discussing the possibility of establishing a Local Council in Or Yehuda. He noted, however, that the Ministry had always favoured moving the residents to better quarters and demolishing the *ma'barot* which had been built on fertile farming land.)

Ramat Gan Park Planting Completed

Jerusalem Post Reporter

RAMAT GAN, Monday. — Greetings were sent to Mr. David Ben-Gurion from Ramat Gan where the final trees of the "Joys of the Bible" national park were planted today in a postponed Tu Bishvat ceremony. Mayor A. Krinitsky stated that Mr. Ben-Gurion had planted the first tree in the park.

Mr. John W. Nichols, the British Ambassador, whose hobby is gardening and who is a resident of Ramat Gan, joined several thousand children in the ceremony.

The first four trees planted today were in memory of the two Jews who were hanged in Egypt.

Jailed for Fatal Beating of Cousin

HAIFA, Monday. — Suspected of having so badly beaten six-year-old Eli A'tah here in October last year that he finally succumbed in hospital this week-end, Raphael Padida, 32, the boy's cousin, was jailed here yesterday.

The child's father complained that, since the beating, Eli had wasted away and had died in the Tel Hashomer Hospital.

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Tel Aviv

'Foot-and-Mouth' Breaks Out in North

The Acre area was officially declared yesterday to be affected by foot-and-mouth disease. All movement of cattle from and into the area has been forbidden without a permit from a district veterinary surgeon.

This step was taken after the disease had been discovered in the herd of a Beduin tribe near Kibbutz Eilon and among the cows of the kibbutz itself. The herds of the neighbouring villages have been inoculated.

The disease broke out last week in the Tel Aviv area, and an attempt has been discovered to privately slaughter an affected cow near the Hatikva Quarter of that city. There is a danger that the disease may spread to further areas.

The veterinary service of the Ministry of Agriculture has been taking vigorous steps to deal with the outbreak. Some 4,000 head of cattle have been inoculated in a wide protective belt round the affected area. Cowsheds have been disinfected and 45 diseased cattle have been slaughtered. 5,000 doses of serum received from Holland have been used, and a second consignment of 10,000 doses is expected to arrive by air.

It is intended to inoculate all pedigree herds in the country. Cattle breeders are asked to avoid movement of cattle on main roads, and to limit access to their farms.

KNESSET

(Continued from Page One)

with exports. He said that his Party had been instrumental in preventing the further increase of indirect taxes.

On religious questions, Mr. Genachovsky criticized the small allocations for *yeshivot* and other religious institutions, protested that the Development Budget had been duplicated on the Sabbath and urged the establishment of a religious section in the Gadna.

Dr. M. Sneh (Communist) charged that 70 per cent of the Budget went for defence, police and "bureaucracy." The results of such a policy could be to make the rich richer and the poor poorer. He denied that there had been any real easing of taxation, and claimed that 90 per cent of the indirect taxes were paid by the working population.

Our exports were not real exports, Dr. Sneh asserted, for Kaiser-Fraser cars were assembled here only in order to provide that American firm with a market. Our whole economy was now enslaved to Washington and to Bonn, and the foreign capital did not come to develop the country, but only to destroy local production.

The final speaker of the evening was Mr. K. Luz (Mapai) who suggested that where private enterprise fails to take the initiative, the Government itself should build factories and operate them.

Mr. A. Govrin, who spoke after Mr. Ariav, told the General Zionist speaker that Israel has no time for a go-slow and wait-and-see policy; some countries might be able to wait for development from outside, but Israel cannot, for a variety of reasons.

Zisling Back

In an assault on the left-wing labour splinters, Mr. Govrin invited them to come out with a clear policy. (The return had been generally voted of Mr. Aharon Zisling, a leading Mapam member who has not been seen in the Knesset since the split in his Party last summer. Mr. Zisling, who is due to take part in the debate today, has not up to the present declared which group he will join, but is known to be speaking on account of the debating time allocated to Ahdut Ha'avoda.)

ISRAEL INSTITUTE OF PRODUCTIVITY
Attached to the Ministry of Labour
in cooperation with the General Federation of Jewish Labour,
the Manufacturers Association and the Association of Engineers
and Architects,
Haifa Branch
On Wednesday, February 16, 1955 at 6 p.m.
at the Carmelia Club, Rehov Herzlia, Haifa
Mr. LEE
of the Shell Company in England
will lecture in English on
"Planning of Personnel Development"

World Jewish Population Now Nearly 12 Million

NEW YORK, Monday (INA). — The world Jewish population today stands at 11,[illegible] according to the [illegible] annual issue of the American Jewish Year Book published today.

The U.S. has five million Jews, the Soviet Union about two million, and the Jewish population of Israel is 1,[illegible]. European countries with the largest Jewish populations after Russia are Britain, with 450,000, and France, with 300,000. Argentina is second in the Western Hemisphere with 360,000, Canada has 230,000 and Brazil 120,000.

Kovno Man Sees Wife, Children After 15 Years

TEL AVIV, Monday. — After a separation beginning in a concentration camp and lasting for 15 years, Mr. S. Lumiansky, 62, was reunited with his wife and children, now living in the Kiryat Shalom quarter of Tel Aviv, when he landed at Lydda Airport today.

After the end of World War II, Mr. Lumiansky worked as a carpenter in Kovno. He applied to former Prime Minister Malenkov and President Voroshilov for an exit visa, which was granted a fortnight ago.

In order to pay the 360 rubles for the journey, the new immigrant sold most of his personal belongings. To reach Israel, he first had to travel to Moscow, then to Vienna and from there by El Al to Israel. *(Itim)*

Mothers Blamed For Children in Streets

TEL AVIV, Monday. — "Mothers who allow their small children to play in the streets while they are busy with their housework are law-breakers," Magistrate Y. Treivush said in the Traffic Court here today.

A nominal fine of 100 pruta was levied on Mrs. Yona Rehani, 30, of Tel Aviv, whose four-year-old son, Joseph, was injured in a street accident. She said that she was busy in her kitchen and had two younger children to look after as well.

Magistrate Treivush stated that he considered the problem to be a national one and that the responsible authorities should provide recreation space for young children who must now play in the streets. *(Itim)*

JAPANESE PRINTS

TEL AVIV, Monday. — Nearly 100 original 19th Century Japanese colour prints, especially brought to this country for the occasion by Dr. T. H. McGrail, Cultural Attache at the American Embassy, are displayed at an exhibition which was opened in the Museum here today.

Dr. McGrail told *The Jerusalem Post* that he decided to arrange for his collection of Utagawa Hiroshige prints — one of only two or three collections of the artist's work in private hands in the world—to be brought over after he saw the high artistic appreciation of people in this country. They were one of the most discriminating public he had seen anywhere, he said.

The prints comprise about half of Dr. McGrail's full Hiroshige collection, most of which he collected during his seven years in Japan on General MacArthur's staff.

Mr. Edward B. Lawson, the American Ambassador, members of the U.S. Embassy staff, and Mrs. J. W. Nicholls, wife of the British Ambassador, visited the exhibition today.

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Near the Police Station
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● First Class Food
● The place for rest and recreation.

Cables in Brief

SHELTER. — Seven homeless men arrested for sleeping in New York underground trains asked Magistrate Hyman Bushel to send them to jail until the cold spell had passed. They variously estimated that the cold would last from 10 to 30 days and each man was given a sentence according to his own forecast.

CANCELLATION. — Russia has cancelled an exchange scheme begun last year for British students to tour the Soviet Union and for Russians to come to Britain.

SNOW. — An avalanche has buried an "unknown number" of skiers on the Patscherkofel mountain, according to reports from Innsbruck yesterday. This was the second party of skiers to be overwhelmed by sliding snows in Austrian skiing resorts during the last 24 hours.

BRANDO. — The British Film Academy on Sunday named Marlon Brando the best foreign actor of 1954 for his powerful performance in "On the waterfront," a story of graft and murder in a New York dock union.

ARMED FIGHT

NAHARIYA, Monday. — Fifteen villagers of Kisra (north of the Acre-Safad Road) were arrested today for allegedly having taken part in a fight in which firearms and hand grenades were used. The cause of the fight is not yet known.

If you have been injured in a labour accident . . .

"Whither do I go and who will come to my aid?"... this frantic appeal of the lonely worker injured in a work accident, is not heard any more in our country since the foundation, a year ago, of the National Insurance Institute, one of whose tasks is labour accident insurance for every worker in Israel. Just as in other spheres, here too Kupat Holim works in full cooperation with the Institute in the difficult task of providing medical treatment and rehabilitation of the injured in labour accidents.

Medical treatment, hospitalization, convalescence, prevention of accidents, — all these have been one of the main concerns of Kupat Holim for many years. The services extended by Kupat Holim include treatment by specialists, surgeons, ophthalmologists, orthopedists and orthopedic apparatus. Kupat Holim has established fully equipped modern auxiliary X-Ray and physiotherapy institutes, treatment by specialists in separate and central dispensaries in the towns, as well as hospitalization of these cases.

3,000 injured at work apply to Kupat Holim dispensaries every month. It is intended to raise the standard of medical treatment to a much higher level through the opening of new dispensaries and special departments for traumology (treatment of the wounded) similar to those existing in the most progressive countries. These dispensaries will be equipped with modern medical appliances including special X-Ray institutes. Experienced specialists will be employed and social services and special rehabilitation treatment will be provided at the same time.

There is a well-known saying that prevention is better than cure, and it also applies to labour accidents. The most effective medical treatment is that given on the spot, and Kupat Holim has taken all the necessary steps in this direction: there is first of all, the supply of first-aid equipment and the training of a few workers at every enterprise; special first-aid training courses (35 in two years) have been opened, and hundreds of workers from various enterprises receive theoretical and practical training in first aid.

The main preventive work is being done by special departments for industrial medicine. Industrial physicians take care of hygienic conditions in the various places of work; they also supervise the worker's health by means of regular medical examinations, vaccinations and prevention of occupational diseases.

The 846 Kupat Holim dispensaries all over the country, the hospitals and the extensive preventive activities, all these together form the best guarantee for the efficient implementation of labour accident insurance within the framework of the national insurance scheme.

CENTRAL KUPAT HOLIM
Public Relations Department

THE GENERAL MORTGAGE BANK OF PALESTINE LIMITED

BALANCE SHEET AS AT THE 31st DECEMBER, 1954 (To be submitted to the General Meeting for approval)

	Authorised IL.	Issued and fully paid IL.	IL.	1953 IL.
CAPITAL AND RESERVES				
Share Capital				
600,000 Ordinary Shares of 100 pruta each	60,000	60,000		60,000
150,000 Ordinary Shares of IL.5 each ..	750,000	425,000		425,000
38,000 6% Cumulative Participating Preference Shares of IL.5 each	190,000	190,000		190,000
	1,000,000	675,000		675,000
Reserve Fund		230,000		230,000
Profit and Loss Account—Balance of Profit		[illegible]		6,102
			911,[illegible]	[illegible]
LONG TERM LIABILITIES				
Debentures secured by a Floating Charge on the assets of the Bank —				
4% Debentures	2,918,290			[illegible]
3% Debentures	1,720,000			1,581,000
	4,638,290			[illegible]
Debentures called for redemption, but not presented for payment	1,570			1,970
Debenture Interest accrued due	62,745			[illegible]
		[illegible]		[illegible]
Payments on account of acquisition of Debentures and Deposits for granting of Loans		[illegible]		[illegible]
			[illegible]	[illegible]
CURRENT LIABILITIES, RESERVES AND PROVISIONS				
Creditors, Contingencies Reserve and Provisions — including provisions for taxation and proposed dividends			372,457	[illegible]
			19,373,843	[illegible]

	IL.	IL.	1953 IL.
FIXED ASSETS			
Buildings, nominal value	1		1
Office Furniture, nominal value	1		1
Investments, at cost	70,142		[illegible]
		70,144	[illegible]
LONG TERM LOANS			
Loans on Mortgage	[illegible]		[illegible]
Interim Credit granted at risk of third party	[illegible]		[illegible]
		[illegible]	[illegible]
CURRENT ASSETS			
Sundry Debtors and Payments in Advance	555,372		[illegible]
Cash at Banks and in Hand	262,020		90,776
		817,392	[illegible]
		19,373,843	[illegible]

On behalf of the Board of Directors:
S. HOOFIEN
E. LEVONTIN } Directors.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the above Balance Sheet and the Profit and Loss Account annexed thereto, and have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit. In our opinion proper books of account have been kept by the Bank so far as appears from our examination thereof.

The said Balance Sheet and Profit and Loss Account are in agreement with the books of account. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet gives a true and fair view of the state of the Bank's affairs as at the 31st December, 1954, and the Profit and Loss Account gives a true and fair view of the [illegible] of the Bank for the year ended on that date.

TEL AVIV, [illegible] January, 1955.

[illegible]
Public Accountants [illegible]

Economic News from Abroad

Dollar Trade Expanding

● A moderate expansion in U.S. exports and foreign dollar and gold reserves has been predicted by experts for 1955. U.S. imports are expected to increase by $400m. to a total of $10,700m., and $2,900m. will be spent by Americans on transportation, travel and miscellaneous services abroad. Military expenditure in foreign countries, including offshore procurement, will amount to $2,700m., U.S. Government economic aid and private remittances to $1,300m., and private American investments abroad to another $1,200m. Another $600m. will be paid out on foreign investments in the U.S. Thus, a total of $19,900m. will pass into the hands of foreign countries (compared with $19,100m. in 1954) out of which some $5,600m. will be required for dividends, interest and capital repayments of American investments and loans, including travel and other services paid for in dollars, while $13,600m. will be used to purchase American products (a rise of $700m. over 1954). Over $1,000m. are likely to be added to foreign dollar and gold reserves. The gain in American exports is likely to be mainly in food and raw materials; exports of military equipment are not included in the above estimates.

French Industry Reviving

● France's industrial production increased by 10 per cent in 1954, provisional figures indicate, and the foreign trade deficit has been reduced to $28m. compared with $302m. in 1953. This improvement is the more remarkable as it is due almost entirely to the increase in exports, which rose by $368m., i.e., 7.5 per cent, while imports advanced by $188m. The French wholesale price level declined slightly in 1954, while the stock exchange price index rose by 60 per cent, twice as fast as that of New York and three times as much as in London. Highlights of the French industrial revival were the increase in the production (20 per cent) and in the export (28 per cent) of motor vehicles; the conspicuous progress made by the aircraft industry, which turned out to be a serious competitor for some American and British models; and the recent order of four 50,000-ton tankers, the world's largest, from French shipyards.

Dollar Debentures for Dutch

● Netherlands residents have been allowed to buy foreign dollar debentures officially listed on the stock exchange. The purchase, however, is subject to a Netherlands Bank permit, and must be effected through a bank, and the debentures are to be imported immediately.

Bethlehem Steel Grows

● The Bethlehem Steel Company is to spend $100m., most of it at the Baltimore plant, for expansion. The programme, which will include a huge new rolling mill, is to be completed by mid-1956.

Sweden's Expansion Slowed

● A restrictive economic policy and anti-inflationary measures have been envisaged by Sweden's Finance Minister in his Budget speech. Gross investment now amounts to 30 per cent of the over-all production and a further increase would upset the economic equilibrium. In 1954, national production rose by about 4.5 per cent, but while exports increased by nine per cent imports were up 13 per cent, and the foreign currency deficit was about Kr. 130m. ($25.2m.). In 1955, the economic expansion is to be slowed up and the budget provides for a small revenue surplus, made possible by a cut in defence expenditure.

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Tuesday, February 15, 1955
Shevat 23, 5715, Jumada-el-Tania 21, 1374

LOWER INCOME TAX

WHILE economists congratulate Mr. Eshkol on his skill in combining rapid development with monetary stability and laud his new budget for its wise retrenchment, for sticking to priorities and for lucid representation, the man in the street is mainly concerned with the prospect of stable prices and lower taxes.

The income tax cuts are much more than a tactical move in an election year. It is plain evidence of the conspicuous administrative success of the State Revenue Department (headed by Mr. Z. Sharef) and of the rapid improvement in tax morale last year, without the administration having had so far to resort to the more stringent measures of criminal proceedings that it is still keeping up its sleeve. In addition it holds out the promise of substantial reductions in the current tax burden, which will amount to IL.25m., i.e., one quarter of the estimated total liability of individual taxpayers next year.

While for wage-earners the reductions will amount on the average to 15 per cent of the sum they would have paid according to the present regulations, the average cut for the self-employed will be almost 30 per cent. Moreover, the position of some categories of taxpayers, the so-called medium brackets that earn IL.300 to IL.450 a month, will be eased considerably more than the average. The exact wording of the proposed amendments to the income tax law is still being worked out. But enough has been made public to intimate clearly that at last a real step will be taken towards a reform that will redress the many grievances over income tax incidence, and along with that also remove the main obstacle to honest declarations.

The fact that the medium income brackets are to receive favoured treatment will certainly call forth many a biting comment from champions of social justice. From the economic point of view, however, there is hardly a doubt that these classes, which include mostly skilled workers, higher officials, artisans, professionals and smaller independent traders and producers, have been treated rather harshly under the present regulations, particularly if one also considers the relatively modest span of wages and salaries in this country. Moreover, the cut in income tax has already been partially offset by the increase in the purchase tax, which is mainly laid on goods consumed by these classes (and estimated to yield IL.27.5m. next year, compared with IL.20m. approved for this year).

Another argument in favour of preferential treatment is that it is these classes that are likely to save most, relatively, and that at least part of the savings could be channelled into productive investment. As a matter of fact Professor A. Lerner has proposed a much more radical step, namely, a flat tax rate with a flat surtax rate for higher incomes.

On the other hand the income tax reduction should be seen against its proper background. Income taxes have amounted to seven or eight per cent of the total national income in the past few years, and this percentage will scarcely decline in the future. It is rather a re-distribution of the tax burden that is presently taking place, considerably increasing the share of self-employed taxpayers and companies.

Moreover, both old and new taxpayers in these categories are now paying off huge arrears for past years, which constitute something like a revenue pool, which allows the Treasury to reduce current income as long as the reserve lasts. Repayment of arrears amounted to about one-third of the total tax yield among the self-employed and companies in 1953/54. It will reach about the same proportion this year, and [illegible]

SOVIET STRATEGY SEEN IN BUDGET

By Economicus

THE struggle over Soviet economic strategy which led to Malenkov's downfall is reflected in the budget presented earlier this month by Mr. Arsene Zverev, U.S.S.R. Minister of Finance.

Revenue for 1955 is estimated at 590,200m. rubles and expenditure at 563,500m. Priority is apparently given to heavy industry, which accounts for a total investment of 163,000m. (101,700m. from the budget and 64,300m. from self-financed industries.) Agricultural investment has fallen from 74,000m. to 65,100m. rubles, and the budget for light and food industries from 36,600m. to 26,000m.

The expected revenue from the turnover tax, levied mainly on consumer goods, remains almost unchanged at 233,000m. rubles, or 39.5 per cent of the total revenue.

Defence expenditure, as far as published figures reveal, has developed as follows (in million rubles).

Year	Sum	% of Budget
1950	82,900	20.1
1952	[illegible]	23.6
1953	110,200	20.8
1954	100,300	17.8
1955	112,100	19.9

Company Report

Mortgage Bank Expands 50%

DURING the past year the General Mortgage Bank continued to expand along lines which have by now become familiar for all our long-term credit institutions. The total loans outstanding increased to IL.18.8m., compared with IL.12.2m. at the end of 1953, but mortgages, which the Bank extended from its own resources, remained practically unchanged at IL.6m., while "interim credits granted at risk of third party," i.e., loans financed by the Government out of Development Budget funds, doubled and reached IL.12.4m. As a matter of fact credit granted under this head totalled IL.7.6m. during 1954, (compared with IL.2.4m. in 1953) but against this there were IL.0.5m. of previous loans repaid and IL.0.9m. converted into ordinary mortgage loans.

The bulk of the "interim credits" granted last year were for the Popular Housing scheme and allied projects (IL.4m.) and for the housing of regular army personnel (IL.1.1m.). Additional loans to the tune of IL.0.4m. were also granted to hotels bringing the total to IL.2m. Moreover, two-thirds of the credit granted out of the Bank's own resources (IL.0.4m.) also went to hotels (with the Government's guarantee).

The mortgages granted by the Bank for ordinary housing amounted to only IL.303,000 against IL.422,000 of repayments. By the end of 1954 the total number of loans rose to almost 14,000 (compared with 8,800 at the end of 1950), but the average loan was only IL.1,326, less than double the sum 20 years ago.

Loans for Flats

Out of the 4,3[illegible] flats erected within the scope of the first stage of the Popular Housing scheme, up to the end of 1954 2,468 had been granted loans through the Bank and 900 more were to get them during the first months of this year. Out of the 5,300 flats envisaged in the second stage, approximately 3,000 are to be financed

yet clear and may change considerably with the Government's decision to "link" housing loans to a fixed value (for the time being a special kind of linking clause has been introduced only in loans granted to hotels) and the tendency to reduce the share of the Development Budget allocated for housing.

The Bank does not entertain any hope as to the possibilities of the private capital market, pointing out to the "sharp competition of the short-term credit market, the prevailing fear of a renewal of inflationary tendencies and the apprehension of a further devaluation" which precluded any issue of new debenture series. As a matter of fact, the latest stock exchange quotations of the Bank's shares remained practically the same as a year ago, but debentures dropped considerably, by up to 18 per cent of 1953's already much depressed level. Accordingly, the amount of debentures placed with the public dropped slightly in 1954 (to IL.4.6m.).

Nevertheless, the Bank continued to pursue its policy of converting four per cent debentures to three per cent debentures.

Summarizing the development of the building trade last year the report stresses the growing sales resistance in the market for private flats (under the impact of the low prices charged by the Popular Housing scheme) and the reduced rate of profits now calculated by the building contractors. The Bank suggests that lower building costs and profits are a precondition for the revival of private residential housing, and the attraction of capital from abroad. In this last respect, the change in the Foreign Investments Law would be very hopeful.

The Bank's net profit remained at the previous level as its increased gross profit (IL.464,000 compared with IL.419,000) was largely absorbed by higher administration expenses and allocations to reserves. The following figures illustrate the Bank's development during the past few years.

IL 000	1951	1952	1953	1954
Shares capital and reserves	[illegible]	[illegible]	[illegible]	[illegible]
Debentures issued	[illegible]	[illegible]	[illegible]	[illegible]
Payments on account of debentures	[illegible]	[illegible]	[illegible]	[illegible]
Long term loans	[illegible]	[illegible]	[illegible]	[illegible]

Farmers, Installations, Waste Water

By Our Economic Editor

THE major factor in Israel's economic development in recent years has been the rapid expansion of irrigation, which has enabled agricultural production to greatly increase.

While this expansion continues at full speed and occupies pride of place in the current Development Budget, informed circles are increasingly worried by the many problems involved in the future water economy. Public attention has also been directed to these questions by the discussion on the proposed water law, about state-participation in the "Mekorot" company and on the budgetary allocations to the Lachish regional settlement plan.

The water bill that has been submitted to the Knesset intends to establish strict public control over all further water resources and to prohibit the boring of new wells and the use of natural springs without the approval of the Water Commissioner or local water authorities. The prime object of this control is the conservation of underground water and prevention of waste. It will thus restrict excessive irrigation by fixing upper limits for the water quantities which may be consumed by each farm unit. As a matter of fact, this system has already been introduced by the Mekorot company, which now contracts to supply water only to consumers approved by the Supreme Settlement Planning Council.

Necessity of Control

The necessity of this control may appear somewhat remote at this moment, for though in some regions, particularly in the south, agricultural development is curtailed by water shortage, the total amount of water available for irrigation at present far outstrips actual consumption. In 1954 the potential water supply of Mekorot was above 300m. cu.m. but actually only 224m. were drawn by consumers. The surplus may be even bigger this year, when some local and regional schemes are scheduled for completion (in Western Galilee, in the Yavne region etc.) besides the first stage of the Yarkon diversion to the Negev.

As the area under irrigation expands, the situation may change rapidly, especially since, like citrus, most of the new crops presently popular with the farmers are comparatively heavy water consumers (cotton, groundnuts, sugar beet). Moreover, settlement plans were not necessarily conceived with the regional distribution of the present water surpluses in mind, and while in some places the available quantities may still be sufficient for a couple of years, water saving will become the order of the day in other vital areas. In any case, in a country of a semi-arid climate and intensive agriculture like Israel, water shortage is likely to become the permanent feature.

Water planners therefore view with serious concern the waste of water on any farms and especially in most urban areas, wherever water meters have not yet been introduced. On many farms, the actual use of water is 25 per cent and even 50 per cent more than is required. Mr. S. Blass, the Government's water adviser, has recently pointed out that while the total volume of agricultural output has increased by 125 per cent since the inception of the State, water consumption rose by 200 per cent, and the disproportion may increase further if no steps are taken to check this trend.

This may seem strange in view of the many complaints that it is the high price of water that prevents low-priced agricultural production. The complaints, however, refer mainly to the water resources developed by Mekorot during the past few years, which, however, still account for a minor part of the total water supply. (One-quarter in 1954 and perhaps up to 30 per cent this year). The bulk of the water is thus still supplied by private and corporate local water works which mostly were established long ago and operate at comparatively low cost. But even Mekorot supplied almost two-thirds of its water at less than 30 pruta per cu.m. and less than one-fifth at over 50 pruta last year.

For the time being, therefore, water is a relatively small item in the total investment in agricultural production and it is smaller yet when compared with the price obtained for the produce. Except in special regions and for certain crops, farmers do not care much about saving on this account. Moreover, most growers still lack experience in agriculture, and in particular in efficient irrigation methods.

Another factor which contributes to the present waste of water is the high cost of a proper water installation and the exorbitant rate of interest on the invested capital. At a cost of IL.100 to IL.150 per dunam, depreciation and interest would amount to at least IL.10 to IL.20, while the water bill may go down no more than IL.4-5. This is scarcely a worthwhile investment, despite the advantages it might bring in easier work and weed and erosion control.

Further the cost of water should account for at least 7.5-10 per cent of the agricultural expenditure to induce the farmer to see to its efficient use.

Not Enough Hands

By Our Economic Correspondent

"IT will take you only a few working days to remove the weeds along the vines. But if you do not do it without delay you will run into endless trouble and the vintage will not give satisfactory results!"

But with these words the settler who is in charge of the vineyard in one of the settlements in the Negev shakes his head in answer to the instructor's warning. "We have not enough hands. We know that the work cannot wait but there are simply not enough people to do even the most necessary jobs."

The approach to the *kibbutz* reminds one of the propaganda films of Keren Hayesod. For hours we had been driving through a steppe covered, at this time of year, with sparse grass. There was not a tree or shrub in sight. Then suddenly there appeared green fields, sleek cattle, modern machinery, young orchards of peaches, plums and apples, olive groves and vineyards. Since the pipeline from Nir-Am has reached this forlorn part of the Negev, the appearance of these farms out of the desert is as startling as a dream come true.

But wherever the instructors go, they find one failing. Valuable machinery is not properly tended, the promising young orchards suffer from weeds as the agricultural season moves on inexorably demanding punctual cultivation. The settlers are not to blame. They do what they can, only to find that 90 people cannot do the work of 120. There are settlements where scores of people have left and are difficult to replace, especially if there were experts among them.

The instructor, of course, asks about hired labour. Sometimes he will get the answer that that would mean the beginning of the end in the *kibbutz*. Other settlements are willing to hire workers, but in outlying places these can come only from the few neighbouring new settlements. Some of these neighbours are willing to work on the *kibbutz* until they can make a living from their own land. Their output may be satisfactory after some instruction and without too much overseeing — or it may not. Often it simply does not pay to employ such hired labour, and not in all farming can piecework be introduced without endangering the quality of the job and the growth of living plants.

The settlements admit that things have improved since the authorities took a firmer line with workers by demanding a full day's work in return for wages and withheld jobs from those who did not actually need them. But improvements are not sufficient and not quick enough.

It would be unjust to put all the blame on the mistakes of past employment policy. The hired labourer must learn the element of farming from the beginning, and he lacks the instinct for the handling of tools and the tending of plants which is the heritage of the peasant elsewhere. The introduction of modern appliances among people who are not used to it will often result in waste. A farmer who knows the contents of his old-fashioned well will measure out his water by the bucketful, knowing that he, his beasts and his crop will remain thirsty if he is not careful. Dripping faucets spilling into the sand the precious water brought from afar are not an uncommon sight far out in the Negev.

Kibbutz' Problem

There is no easy way out of the labour problem in the distant *kibbutzim*. Even if they waive their objections to hired labour — which after all must undermine their form of life — they often cannot find the necessary hands nor get from them a pool which justifies the cost. But the problem must be solved and be solved quickly. It has taken years of back-breaking work, and applied knowledge, and the investment of many millions, to make trees grow in a region which never knew them before. The experience of the past few years has demonstrated that the soil will grow crops once it is irrigated. The precious experiment must not be endangered by lack of labour at a time when emergency jobs are still taken as a matter of course.

The urgency of the problem should not be underrated. When the working population of a settlement is reduced to the point where it finds itself unable to cope with the daily work and replacements unavailable, a dangerous mood is likely to spread causing more settlers to leave and increasing the burden on those who remain. Men who have known the unique satisfaction of growing crops where none grew before should not be left without reinforcements.

RISE IN ARAB TAX COLLECTION

Jerusalem Post Reporter

AN editorial on this page last June stressed the great difference in tax collection proceeds between the Jewish and Arab sectors. While the average income tax collected in Israel for the fiscal year 1953/54 was estimated at IL.40 per capita, collection from the Arab sector was just over one pound.

Since then matters have taken a radical turn for the better, collections jumping from IL.13,000 to almost IL.40,000 per month by the end of the last year. Old files have been reviewed and new files opened (there are now 18,000 in solid Arab areas, compared to 13,000 in June) and arrears are rapidly being liquidated.

At the same time, the essential training of income tax officials working in the Arab sector has been undertaken. Out of the present 42 officials in this sector (10 in the Little Triangle, 15 in Western and 12 in Eastern Galilee, and the rest in Haifa) three inspectors have gone through a special three-week training course and three more are now attending another. The others — all of whom by now speak fluent Hebrew — attend regular seminars. A network of advisory income tax committees, made up of notables and Mukhtars, has been established in dozens of Arab villages to assist the officials (supplying the crop and weather data on which assessments are based in the rural areas) and mediate between them and the taxpayer.

Few Records

Among the rural population, which forms the bulk of the taxpayers, there are few land registration and ownership records, and few data on the profitability of the various crops. This makes it most difficult to draft even income tables.

The lack of more permanent and closer relations between the tax inspector and the individual Arab taxpayer poses another problem. A right step in this direction is certainly the recent establishment of the first mobile Arab income tax unit, which works on the principle of on-the-spot assessment, explanation and collection. Another important development is the publication of an Arabic income tax pamphlet guide.

S. & K. Aloschi
[illegible]
Foreign Trade Consultants
262 Reh. Hayarkon,
Tel Aviv. Tel.25985

Stocks and Commodities

Tel Aviv Quiet But Stable

THIS week, too, the Tel Aviv Stock Exchange was quiet, with little activity and a restricted turnover. Consequently, there were only very slight fluctuations. During the first part of the week Tavel Dollar eased until they reached 1273 pruta, but toward the end they rallied on renewed demand and were quoted 1280 yesterday. The rest of the State Loans showed very slight advance. Stock "A" and "B" rose about a point each and Milve Milhama and Shitrei Erech were also stable. Milve Hova were quoted, outside the Stock Exchange, at 88%, after some slight fluctuations during the week.

Interest in I.L.D.C. debentures was noticeable again, and their price rose by 3½ points. Second Pref. Shares of Palestine Electric advanced by 5½ points. In London these shares were quoted at 10/-.

New York Quiet After Fresh Advance

THE sudden change in Russian leadership halted the steady advance in all sections of the Securities market in Wall Street only for a single day at mid-week. Towards the week-end stocks were cheerfully marching on, led again by Industrials which were especially buoyant on expectation of larger defence spending by the Government and good corporate business news. Advances sometimes ranged up to $2 a day and only towards the week-end did some irregular development through profit-taking take place, but even this was well absorbed. On Friday, the Dow Jones Index for 30 Industrials reached a new peak of 416.99 as against 409.76 a week before, while 20 Rails registered 145.58 as against 142.37 a week ago. The fact that the advances petered out at week's end was actually welcomed as allowing prices to consolidate, but some stock exchange circles expressed the opinion that this will only be a brief pause in the forward movement.

London Makes Recovery

THE London stock market which had reacted to political developments in Russia and the Far East with a certain amount of nervousness at the beginning of the week made an almost full recovery towards the week-end. The firmness of Wall Street, no doubt, assisted the cheerful mood and there were slight gains in Industrials and Kaffirs, while Gilt-edgeds were steady. Reuter's Industrial Index on Friday was 230.2 as against 229.1 on February 9.

Paris Gold Barely Active

The price of gold on Friday was again fixed at the new high level of 251/11d per fine ounce. The Paris gold market was easy on Friday, with very little activity. Most coins dropped and the ingot lost one point. Turnover was especially restricted, and among others only 136 ingots, 7,000 Sovereigns, 30,000 Eagles and 10,000 Napoleons changed hands.

Copper Strong

On the London metal exchange copper was very active and the increasingly tight supply position, together with political events, again stimulated the advance in prices. Announcement of American export limitations, too, brought the cash price to a new all-time high of £361.L.- on Thursday. This price, however, eased later. Tin fluctuated, Zinc was steady and Lead was quiet towards the week-end. Cocoa and Grains were generally cheaper, while Rubber was steady with quietly advancing prices on Friday. Spot Rubber closed at 3s. 7½d. a pound on that day.

By arrangement with
I.L. FEUCHTWANGER BANK
LIMITED

Tel Aviv Stock Market

FEB. 14.		Rise or Fall
Pop. Loans 1949/ (IL.10)	102½	—
3½% Tavel Dollar x)y)	1274	—6
5½% Govt. Bds. (large)	98½	—
4% Reg. Sterling "A"	93½	—¼
4% Reg. Sterling "B" a)	95½	+½
Pal. Bearer Bds. Ser. 2	73½	—
Bk. Leumi ord sh.	280	—4
A.P.B. Investm.		
4% debs. 50/70		
ord. sh. "B"	97½	—
Gazit ord. sh. "B"	113½	—
Ellern's Inv. ord. "B"	106½	—
P.E.C.Inv.ord."B"sh.	165½	—
Gen. Mortg. Bk. ord. sh.	102½	—
Bizur 4% debs.56/65 a)	82	—
Nir 6% Debs. (bear.) a)	88	—
5% pref. sh.	87	—
Pasa 6% debs. 40/64 reg	75	—
"Inva" 5% debs.	85½	—
I.L.D.C. ord. sh. reg.	137	—5
5% debs. c)	88	—
Afr. Pal. Inv. ord. sh.	103½	—
Hassneh 6% pref. ord sh.	92½	—
Pal. Potash 6% pref. sh.	395	—
"A" ord. shares	170	—8
Pal. Elec. ord. sh. (Isr.)	—	—
Pal. Elec. ord. sh. (Ldn.	—	—
Jer. Elec. Corp. ord. sh.	—	—
Mekoroth pref. sh. b)	66½	—
Ata ord. "B" sh.	137½	—
6-8% conv. debs. c)	96½	—
"Kardanah" ord. "B" sh.	145½	—
7% conv. debs. 59/64 c)	103½	—3
Moller-Dea ord.sh.reg.xa)	99½	—
Pal-Brewery 6% con.sh.c)	98½	—
Assis Bejarano "B" sh.c	157	—
"Tova" ord. sh. c)	106½	+1
Nesher 6% debs. "A" c)	111	—
6% debs. "B" c)	138½	—
Pal.Cold.St.7% debs.a)	147	—
ord. sh. reg. d)	222½	—
Pal. Centr. Tr. 8% debs. a)	96½	—

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-right; e) half div.; x) prutot; y) with coupons per June 15, 1955.

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Director: N. ZUCKER
37 Ha'atzmaut Rd., Haifa.
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108¼%
7% Dividend for 1951 Free of Income Tax
10% " " 1952 Free of Income Tax
12% " " 1953 Free of Income Tax
10% Interim Dividend for 1954 Free of Income Tax
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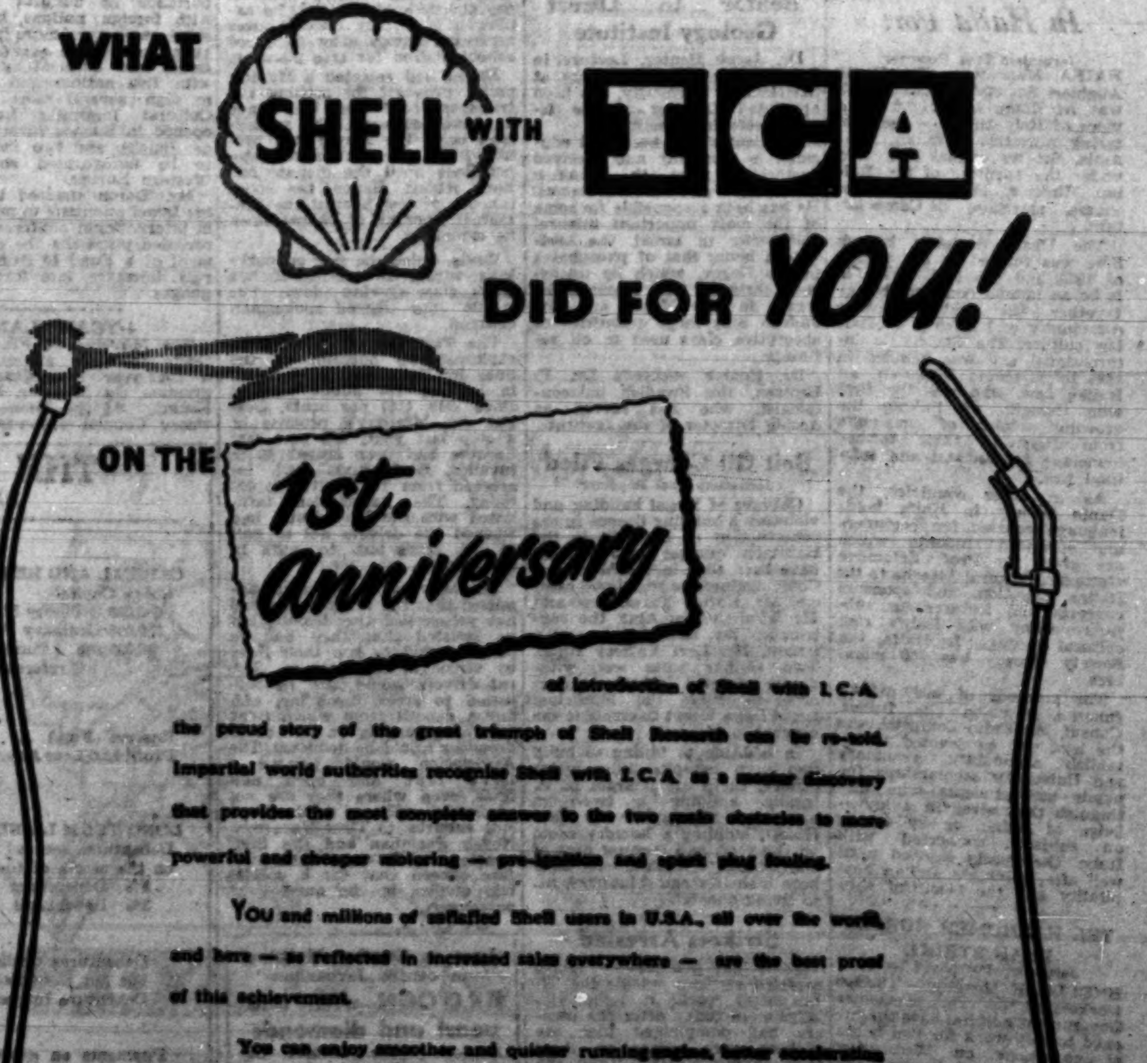
JERUSALEM



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